



IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

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GROUP 3600Application of: Fiedotin *et al.*

Serial No. 09/487,932

Group Art Unit: 3626

Filed: January 20, 2000

Examiner: Kalinowski, Alexander G

For: *Method and System for Providing
Current Industry Specific Data to
Physicians*

Attorney Docket No.: 10160-0007-999

DECLARATION OF RICHARD FIEDOTIN
UNDER 37 C.F.R. § 1.131Honorable Commissioner of Patents and Trademarks
Washington, D.C. 20231

Sir:

I Richard Alan Fiedotin, hereby declare the following to be true:

1. I am a co-inventor together with Jeffery Tangney and Thomas Lee of the invention described and claimed in the above-identified patent application.
2. nCircle Communications Inc. was founded in 1998 by Jeffrey Tangney and myself, and was later renamed ePocrates Inc. (hereinafter the "Company").
3. Currently, I am the Vice President of Clinical Products for ePocrates, Inc.
4. I contributed to the conception of the subject matter claimed in the above-identified patent application prior to July 1, 1999.
5. The conception of the invention described and claimed in the above-identified patent application is evidenced by Exhibits A-C, annexed hereto.

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6. The dates of Exhibits A-C showing conception have been redacted in accordance with standard practice, but all are prior to July 1, 1999.

7. Exhibit A is a copy of an Executive Summary written prior to July 1, 1999, that formed part of the Company's original business plan. Exhibit A shows the invention described and claimed in the above-identified patent application. For example, the penultimate paragraph on the second page states "nCircle will aggregate important insurance information which is needed at the point of care and bundle it into the Palm Connected Organizer product line (the Palm III and Palm V)." In other words, Exhibit A discloses storing medical data in a database.

The fourth paragraph of the eighth page of Exhibit A states "[o]ne-touch updates from web-accessible PC" and the second paragraph of the penultimate page states "[v]ia your web-enabled PC or Mac, pQD automatically downloads updated data and messages." Accordingly, Exhibit A shows that selected medical data is periodically communicated between the database and an electronic device to establish a medical data distribution system.

Furthermore, the penultimate paragraph on the second page states:

This bundled software/hardware set, which is called the Physician QD (pQD), will be sold to pharmaceutical companies . . . It will in turn be distributed to the companies' sales forces who will use the pQD as a method to gain entrée to the high value physicians they normally cannot contact. . . . We expect to distribute 30,000 and 60,000 units in this fashion . . .

This discloses a medical data distribution system subsidized by sponsoring entities. Consequently, this Exhibit describes the invention as described and claimed in the above-identified patent application.

8. Exhibit B is a copy of a presentation given by the Company to Pfizer Inc. prior to July 1, 1999, entitled "Discussion with Pfizer regarding PharmAssist Promotional Program." Exhibit B describes PharmAssist as a "promotional program which provides high

value physicians with Personal Digital Assistants (PDAs) bundled with customized software, ongoing support, and online access." See page 6. These PDAs include medical data, such as formularies, referral lists, etc. *Id.* The remainder of the document describes the advantages to the "payer" or sponsor of the medical data distribution system. Accordingly, this Exhibit describes the invention as described and claimed in the above-identified patent application.

9. Exhibit C is a copy of a presentation given by the Company prior to July 1, 1999, entitled "Business Opportunity Discussion." Exhibit C describes the conceptual framework of the invention claimed in the above-identified application. For example, Exhibit C describes storing medical data in a database such as a PDA. See page 5. Also, Exhibit C shows a medical data distribution system coordinating the PBM, Pharma, and Physician. *Id.* Furthermore, Exhibit C describes the benefits to the sponsoring entity of the medical data distribution system. Accordingly, this Exhibit describes the invention as described and claimed in the above-identified patent application.

10. I engaged in reasonable diligence from at least just prior to July 1, 1999, until the invention was constructively reduced to practice by filing the above-identified patent application with the United States Patent and Trademark Office on January 20, 2000.

11. Reasonable diligence from prior to July 1, 1999 to January 20, 2000 is evidenced by Exhibits D-O, annexed hereto.

12. Exhibit D is a copy of a business opportunity proposal presented by the Company to Parke Davis & Co., a pharmaceutical company and potential sponsoring entity of the claimed data distribution system (Parke Davis & Co. was thereafter acquired by Pfizer Inc.). A sponsoring entity is a limitation of the claims of the captioned patent application. This proposal was presented to Parke Davis & Co. on June 30, 1999 in the hope that they would decide to become a sponsoring entity.

13. Exhibit B is a copy of invoices for July 1- July 14, 1999, that I received from BlueLark Interactive, LLC. The initial entry on the July 1999, invoice is for services rendered to "Create first version of Clinical Data Screen." This service required 38 hours of engineering time and culminated on July 5, 1999. Thereafter, further engineering, programming, modifying, and 'bug hunting' occurred through July 14, 1999. Such engineering shows diligence in reducing the medical data distribution system to a useful product from July 1 - July 14, 1999.

14. Exhibit F is a copy of invoices for July 15- July 31, 1999, that I received from BlueLark Interactive, LLC. As described on the invoice the services include; interviewing, engineers, developing software, adding formulary screens, locating bugs, polishing handheld generation applications, and researching software. These services were rendered on July 15- 17, 22, 24-30. Accordingly, the above shows diligence from July 15 - July 31, 1999.

15. Exhibit G is a copy of pages from my notebook, dated July 19, 1999. One such page describes a conference call with Mr. Chris Robbins, a PBM (Prescription Benefit Manager) consultant. Mr. Robbins and I discussed how insurance companies and HMO's organize their formulary. Also, we discussed the likelihood that sponsoring entities would subsidize the medical data distribution system based on the percentage of patients covered by a particular formulary. Such a disclosure shows diligence toward developing a system that would be acceptable to sponsoring entities.

16. Exhibit H is a copy of another page from my notebook dated July 20, 1999. This entry shows a meeting with Michael Glenn, a patent attorney, regarding patent protection and strategies with respect to the present invention. Accordingly, this Exhibit shows diligence in having a patent application prepared and filed.

17. Exhibit I is a copy of yet more pages from my notebook, dated July 26, 1999. This entry shows a meeting with Candy Tsourounis and Gary McCard regarding a potential

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source of database updates. Database sources and updates are imperative to maintaining current and up-to-date information in the database claimed in the claims patent application. Accordingly, this entry shows diligence toward making the medical data distribution system.

18. Exhibit J is a copy of another page from my notebook, dated July 30, 1999, describing a contact with Pfizer regarding data sources. Accordingly, such contact with Pfizer was an initial information gathering session regarding data acquisition for the medical data distribution system claimed in the above-identified application. Furthermore, this entry shows an attempt to acquire a sponsoring entity, another limitation of the claims of the captioned patent application. Therefore, the above entry shows diligence in reducing the present invention to practice.

19. Exhibit K is a copy of a sampling of two-thousand (2,000) changes made to the Company's source code control system. This sampling depicts code changes made between August 6, 1999 to September 21, 1999. Such code revisions demonstrate the continued efforts toward reducing the invention in the above-identified patent application to practice.

20. Exhibit L is a copy of a page from my notebook, dated August 31, 1999, describing a meeting with patent counsel from the law firm of Morrison and Foerster regarding patenting the present invention. Such a meeting shows reasonable diligence toward constructively reducing the present invention to practice.

21. Exhibit M is a licensing agreement entered into as of September 7, 1999, between the Company and National Prescription Administrator, Inc. (NPA). The terms of the licensing agreement have been redacted to maintain confidentiality, however, evidence of the parties to this agreement and the date of this agreement are provided in this Exhibit. NPA is a source of formulary data. The licensing agreement provides the Company with formulary data and updates of the data as required by the medical data storage and distribution system

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of the present invention. Accordingly, the Company was actively involved in obtaining data and exploring the NPA database system to enable full integration into the medical data distribution system claimed in the above-captioned application. This Exhibit shows diligence in reducing the invention in the above-identified patent application to practice.

22. Exhibit N is a copy of another page from my notebook, dated September 15, 1999, describing a meeting with representatives from Parke Davis & Co. regarding data sources. Data sources are a limitation of the above-identified patent application. Therefore, this entry shows diligence toward reducing the medical data distribution system of the present invention to practice.

23. Exhibit O is a copy of still other pages from my notebook book dated September 22, 1999, September 24, 1999, and October 1, 1999. The September 22, 1999, and October 1, 1999 entries show two separate meetings I had with Pennie and Edmonds to discuss drafting a patent application for the present invention. Also, September 24, 1999, entry shows a conversation with the law firm of Townsend and Townsend regarding filing a provisional patent application for the above subject matter. Accordingly, such entries shows my continued diligence toward having a patent application prepared and filed for this invention.

24. Attached hereto is a Declaration by Dion M. Bregman of Pennie and Edmonds attesting to reasonable attorney diligence from September 22, 1999 to January 20, 2000.

25. Between September 1999 and January 2000, I received at least one draft of the captioned patent application for my review and comments. Comments were exchanged with Pennie and Edmonds and the above-identified patent application was filed with the United States Patent and Trademark Office on January 20, 2000.

26. I, hereby declare that all statements made herein of my own knowledge are true and that all statements made on information and belief are believed to be true, and that these statements are made with knowledge that willful false statements and the like so made are punishable by fine or imprisonment, or both, under Section 1001 of Title 18 of the United States Code, and that such willful false statements may jeopardize the validity of the application, and any patent issuing thereon, or any patent to which this declaration is directed.

2-28-03
Date

Richard Fiedotin
DR. RICHARD FIEDOTIN

EXHIBIT A

EXECUTIVE SUMMARY

Mission

nCircle Communications intends to be the leading provider of portable, wireless, Internet-based health care information systems for physicians. Our products improve the quality of health care by allowing physicians to access clinical information on and enter orders for their patients wherever and whenever they need and to do so for free.

Overview of Market Opportunity

Every day, hundreds of thousands of physicians treat millions of patients using a combination of experience, judgment and data. When this data is missing or inadequate, treatment is impaired. The impact, which depends on the nature of the information and the condition of the patient, can include:

- Patients suffering complications, including death, from contraindicated medications
- Doctors spending significant time looking for information and making inappropriate clinical decisions when on call
- Insurers incurring the cost of extra nights of expensive hospitalization due to "missing" lab results

Health care is an extraordinarily large and information intensive segment of the US economy. At \$1.2 trillion, it represents over 14% of the US GDP¹. Physician decisions influence approximately 80% of all spending in this sector. These decisions affect millions of lives and are best made when well informed. Consequently, it is imperative for the sake of the individual patient as well as the health care system as whole that the physician have access to critical information when making these decisions.

Toward this end, a robust health care information system (HIS) industry has developed over the past 25 years. It is now an \$18 billion dollar industry growing at 16% per year². Initially, the HIS industry focussed on billing and scheduling applications. However, as technology has improved and health care delivery has changed, there has been an increased emphasis on developing clinical information systems for physicians and other care givers. This effort has failed because both the software and the hardware have been inadequate for the needs of the physician.

The applications developed to date have been excessively ambitious, requiring the doctor to change his or her practice patterns to conform to the software. They have also been cumbersome, inefficient, and rigid, slowing the physician down at a time when he or she is being forced to see an increasing number of patients per hour. Moreover, most applications have been designed for desktop or tablet computers. This fails to recognize that physicians are not desk-bound and do not have wireless systems in their offices. In short, the HIS industry has failed to establish a significant presence among physicians because they have fundamentally misunderstood their target audience.

This failure is reflected by the continuing needs of information systems experts in the health care industry. In a recent survey, these experts listed implementation of computer-based patient records and integration of multi-vendor systems as their two biggest priorities after Y2K conversion. They also noted wireless devices, specifically PDAs, as the emerging technology their organization was most likely to begin using over the next 12 months. Financial constraints seem to be diminishing as 71% of

¹ J.C. Bradford & Co., "Healthcare Information Technology: Making Sense of a Senseless Market," February 19, 1999

² Cowen & Co., IDC, Dorenfest Database and Jewson Enterprises

it can have the greatest impact on decision-making. Physicians are eager to have this information on an accessible platform, particularly if they receive a free Palm Connected Organizer in the process. Palm Computing is interested in offering concessions in exchange for the opportunity to achieve a significant presence in the health care vertical market. Pharmaceutical companies are looking for a legitimate method, one which does not contravene government regulations, to provide a high-value item to their high-prescribing doctors. This strong alignment of interests facilitates the achievement of key success factors in Phase I.

Phase II: leverage existing market presence, corporate relationships, and technical expertise to develop and distribute software solutions designed for portable, wireless, Internet-enabled devices.

During the 12-18 month period of phase I, nCircle will develop software solutions that are particularly well-suited for wireless devices. These applications include simplified medical records, lab results viewers, physician order entry for prescriptions and admission/discharge. nCircle will develop relationships with the larger HIS Internet vendors (e.g. Healtheon) to leverage the infrastructure they are developing to provide these services. nCircle will also develop relationships with Internet medical content providers, such as WebMD, MedCast, and MedScape. It is our intent to embed their URLs in the device in exchange for royalty fees. Given the ultra-stickiness of these wireless "browsers," even relative to desktop browsers, incorporating this access into our device should be very attractive to these content providers and we would expect to extract significant rents for this service. In so doing, we intend to become the premier portable medical portal.

Competitive Advantages

1. Team – our management team includes physicians, health care consultants, and MBAs with a strong understanding of the physician and the health care market. Our development team includes software engineers with Master's degrees and PhDs in computer science and significant real world experience at start-ups as well as at established companies such as Silicon Graphics, Yahoo!, and Tandem Computers.
2. Product – we are developing products that physicians want. The pQD minimizes the "pain" they experience in the practice of medicine under managed care. We are not contaminating our product to satisfy other constituents at the expense of the physicians because do so is to risk diminishing its value to the end user and, ultimately, to disappoint all players. Our product is decidedly unambitious from a technology perspective; it is designed by physicians in order to meet the needs and satisfy the wants of physicians. This will be crucial to its acceptance in the physician community.
3. First mover advantage – we believe that our unique focus and distribution model will allow us to penetrate the physician market with unprecedented speed. Once in place, it will be difficult to be dislodged as end-user switching costs are fairly high. Physicians will be comfortable with our device and will probably not want to change to another, absent a marked improvement. Moreover, we will continue to enhance our product and deliver these enhancements for free only to our devices, rendering them even "stickier."
4. Barriers to entry – it is exceedingly difficult to aggregate the insurance data. We hope to establish some form of exclusive licensing agreement with at least one of these companies in exchange for our efforts. Such a contract would provide a significant obstacle to our competition. We also hope to prevent our competition from using our pharmaceutical distribution channel by signing exclusives with those companies that are interested in this concept.
5. Diminished bargaining power of our hardware suppliers – Palm Computing is extremely interested in penetrating the health care vertical market, particularly in light of the growing presence of Windows CE devices in that space. Their acute awareness of the CE platform as a substitute has engendered support for our effort and, in turn, minimized their bargaining power.

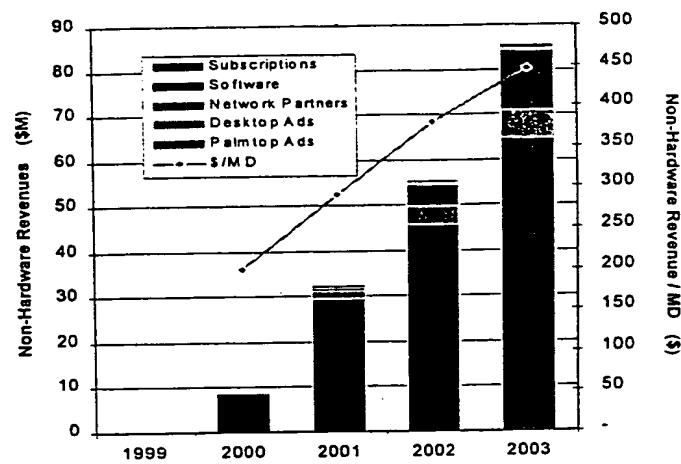


Figure 2

Overall profitability is strong as depicted in figure 3. Post-tax earnings are forecasted to grow to nearly \$48 million by 2003. This, we believe, is still a conservative assumption given the conservatism we have applied throughout our forecasting process.

INDUSTRY OVERVIEW

nCircle operates at the nexus of several constituencies in several industries. Each constituency is a vital component of the nCircle strategy. In understanding the interests of each constituency, one gains an appreciation of both phases of the nCircle strategy.

Insurers

Health care insurance in the United States is an enormous business, one focused equally on generating revenue through increased contracts and controlling costs through management of claims reimbursement. One of the larger components of the insurance cost structure is derived from prescription medications. The nation's overall prescription-drug bill rose 16 percent last year, to an estimated \$ 94 billion, atop a 13 percent increase the year before. The insurance industry has attempted to rein in these costs by outsourcing the management of prescription medication reimbursement to intermediaries known as pharmacy benefit management organizations (PBMs). There are two major exceptions to this. Aetna and Cigna do not use PBMs; they manage their prescription services themselves.

These PBMs, along with Aetna and Cigna, negotiate prices on medications with pharmaceutical companies. They then attempt to determine the price-performance profile of all the drugs on the market. As different companies negotiate different prices, these profiles will vary according to payer. At the end of this evaluation, the PBMs create a "formulary." This formulary is simply a list of medications for which the PBM will pay. Every medication on the market has a status within the formulary: preferred, approved, approved with prior authorization by the payer, available only as a generic, and not approved.

The PBMs communicate this formulary to physicians by mailing them binders with the information every three to six months. Each plan has its own formulary so a physician may receive as many as 100 different booklets, though 20-30 is more typical. The content of the formulary is reinforced by a PBM "detail" force which visits the physician periodically.

PBMs typically enforce the formulary at the pharmacy. When a patient submits a prescription, the pharmacist enters into an on-line system which checks the medication against the formulary. If the medication is on-formulary, it is dispensed, generally with a \$5-10 co-pay. If it is off-formulary and a generic substitute has not been authorized, the patient either pays out of pocket or the pharmacist calls the doctor's office to request an alternative. This process can take more than an hour, requiring the patient to either wait in the pharmacy or return at a later point.

PBMs exist to manage and enforce these formularies. They are seeking ways to increase physician compliance without incurring significant financial and political costs. Mailing the binders and using detail forces are quite expensive. Rejecting prescriptions at the pharmacy level engenders significant animosity among the physician community and does little to encourage higher compliance. The frustration felt by patients and physicians has been communicated to legislative bodies at the state and Federal levels resulting in the proposal and passage of laws restricting PBMs' ability to enforce their formularies. For example, seventeen states are currently considering bills that would "weaken the effectiveness of drug formularies" by requiring formulary coverage where physicians consider it "medically necessary." California recently ordered five HMOs to keep fourteen drugs on their formulary. PBMs, consequently, are looking for technology at the point-of-care to help reduce their cost of operations and minimize the burden their formularies impose on physicians and patients.

Customers: Pharmaceutical Companies

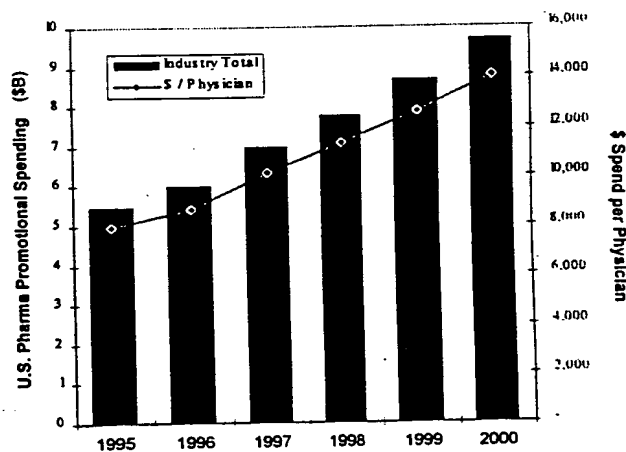
The pharmaceutical industry in the United States is enormous and profitable. Industry sales last year exceeded \$106 billion which represented a 16% one-year increase and a 15% two-year increase.

Market Size and Trends

These revenues result largely from prescriptions written by physicians. Interestingly, the distribution of the value of physicians to pharmaceutical companies is highly skewed. Top decile physicians can generate over \$100,000 per year in revenue and \$90,000 in profit for an individual pharmaceutical company; mid-decile physicians, by contrast, are much less valuable to the industry, generating a fraction of the revenue.

Key Trends in U.S. Pharmaceuticals

As industry revenues have grown, so has the introduction of new products. While there has been much innovation, many of these new medications are nothing more than "me too" drugs with little difference from the other drugs in the same therapeutic category. The pharmaceutical industry is highly leveraged operationally. Most research and development expenditures are fixed and sunk. Manufacturing, however, has minimal fixed costs. The result is that pharmaceutical companies operate with large gross margins – any incremental sale falls largely to the bottom line. The result is an intense pressure to increase sales, to capture market share at almost any cost. Consequently, pharmaceutical companies spend an extraordinary amount of money on marketing, particularly to physicians, to accentuate the minimal differences between medications.



Critical Barriers to Marketing Success

In spending money to move share, pharmaceutical companies face two problems that money alone in the highly-regulated health care industry cannot solve: physicians and insurance companies.

In health care, perhaps more than any other industry, the end user has little influence on the purchasing decision. Ethical drug selection remains to a large extent the domain of the physician. Consequently, pharmaceutical companies spend an inordinate

⁴ Volpe, Welte and Co., Healthcare Information Systems Report, December 1994

Even with conservative assumptions, pQD generates Pharma profits of at least \$1,000 per unit for the top 50,000+ physicians. Figure 4 below shows some of the details of this analysis.

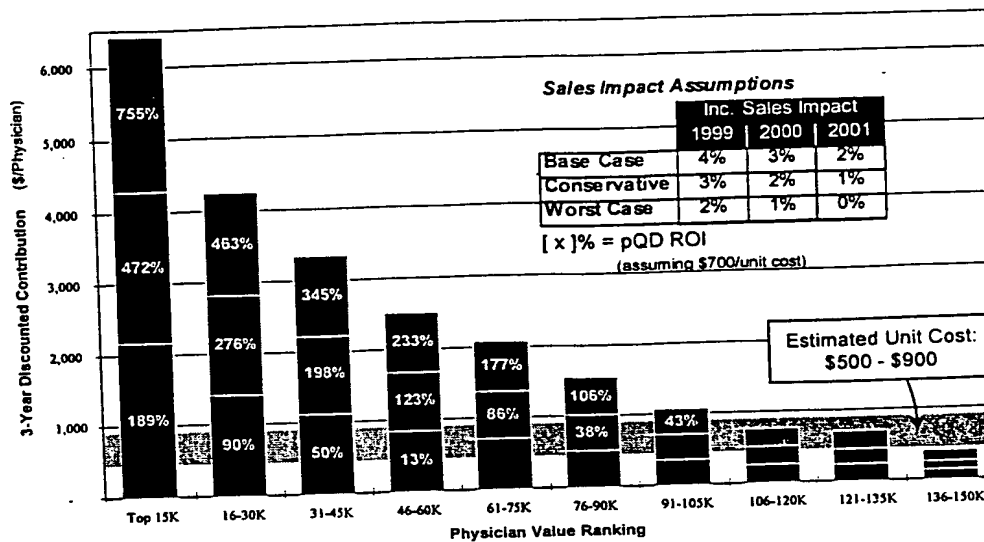


Figure 4

Status of Pharmaceutical Relationship

- Initial Meetings with Pfizer and Warner-Lambert confirmed significant demand
- Awaiting completion of pilot studies for further marketing efforts

Constituency: PBMs and Payers

In order to gain access to the PBM databases, a clear set of benefits to the PBMs must be identified. These are:

- Improved Formulary Compliance
 - New channel for formulary data directly into the physician's shirt pocket
 - Targets top prescribers who control majority of prescription volume
 - Inexpensive, rapid updates provide greater flexibility in contracting
- Hardware Platform Free-of-Charge
 - Potential to leverage Palm organizer for additional applications (e.g., treatment pathways, on-line prescription ordering, script tracking, instant messaging and much more)
- Ease Patient, Pharmacist, and Regulatory Frustrations
 - Ameliorate negative public sentiment and lobbying activities against formularies by reducing the hassle and confrontation of off-formulary prescriptions
- Develop Rapport with Physicians
 - Assist physicians in dealing with multiple plans
 - Be viewed as sympathetic to physicians' need for administrative support

Status of relationship with PBMs

	ePhysician	PharmInfo
<i>Management</i>	Dr. Stuart Weisman, CEO Former gastroenterologist. First-time entrepreneur.	David Levison, CEO Former CEO of Oncare, \$1.2 B specialty practice management company.
<i>Funding</i>	Seed round in Summer of 1998. Closed Benchmark/Sierra "big" round last month.	Kleiner and Mayfield are "committed." Rumored to be closing first round this week.
<i>Board Membership</i>	David Beirne, Charlie McCall, Petri Vainio, Stuart Weisman	Unknown. Brook Byers and Russell Hirsch cited as "key players."
<i># Employees</i>	~30 full-time	10-15, nearly all part-time
<i>Stage of Product Development</i>	CTO and Scient team hired in October. Ready to ship product "soon." Reportedly, no business development work done as yet with PBMs, Pharma, or Palm. Small scale pilot program in place.	Less focussed on Palm platform. Rumored to be "waiting for technology", i.e. wireless PDAs to develop further. Prototype models include hardware add-on for dictation.
<i>Core Product Design</i>	Electronic Prescription Ordering integrated w/ decision support. Claims to include integrated patient data, insurer data, and clinical information. Method of network communication unknown. Presumably this must be HotSync or IR.	Electronic Prescription Ordering integrated w/ decision support and integrated patient/insurer/clinical data. May include dictation. Plans to support multiple platforms.

Winning the Landgrab: nCircle Advantages

Despite the formidable competition in this space, nCircle's simplified business approach has several advantages for each of the key constituents. Summarized briefly, they are as follows:

Software Sales to Physicians

Develop and sell additional clinical oriented apps to user base (e.g., CME on-line, Web scheduling, simple EMRs, etc.). A relatively small revenue opportunity, but will insure greater usage by physicians and result in additional advertising revenue

MARKETING PLAN

Overall Marketing Strategy

Research marketing efforts helped identify not only the application set but the appropriate platform. Focus groups and one-on-one interviews with physician demonstrated a unanimous preference of the Palm device over equivalent Windows CE devices. Our research was confirmed by data received from Palm Computing. The Palm Pilot is #1 consumer electronics launch in history (in terms of unit sales growth). According to a Healtheon survey of 100,000 physicians, eighty-five percent of physicians have Internet access. Sixty-three percent use email daily. Several sites, like Medscape and Physician's On-Line already boast over 600,000 members. Pilot Palm programs already in place at Massachusetts General and other sites.

Healthcare is now the second-leading industry in terms of Palm usage

<u>Industry</u>	<u>%</u>
Technology	20.4
Healthcare	9.7
Financial Services	8.2
Communications	6.0

Pricing

The pQD will initially be priced at \$700 initially and decline over three years to approximately \$300. We expect to be able to leverage the need of each pharmaceutical company for the first mover advantage to extract a price premium initially. As competition develops, downward pricing pressure will naturally occur. In order to maintain our preeminent market share and sustain our non-hardware revenue stream, we will be willing to compete on price.

Sales Tactics

The sales process with the large pharmaceutical companies is expected to be challenging. Most companies have a matrix organization structure. Our initiative is sufficiently costly to require buy-in across multiple product lines. We will use our extended network of contacts to gain access to the pharmaceutical companies at the VP level and above. We will offer our shrink-wrapped product to all the major companies in the industry at once. The intent is to minimize the chance of a pharmaceutical company developing this on its own. There is a significant first-mover advantage; any company which wished to invest the time to develop its own product will be several months behind nCircle and will reach the market later, suffering substantial consequences.

Service and Warranty Policies

Personalized Messaging

Keep abreast of FDA Alerts, article reprints, and events with personalized messaging options.

Internet Conduit and Database

Via your web-enabled PC or Mac, pQD automatically downloads updated data and messages.

New Products

The pQD will be ported to the Palm VII later this year to provide wireless access to medical databases. While these databases are not yet fully populated and the infrastructure is still immature, it is nCircle's plan to develop applications in advance of the full development of these components. The new product will provide:

- Simplified medical records
- Prescription order entry
- Hospital-based order entry
- Results viewing (labs, path reports, etc.)
- Reference material access (e.g. Clinical Pearls, Protocols)

Proprietary Issues

Much of the data in phase I is in the public domain. Nevertheless, licensing proprietary publications will substantially facilitate its incorporation into the pQD.

MANUFACTURING AND OPERATIONS PLAN

All manufacturing will occur at Palm Computing. We will take possession of customized hardware/software bundles with customized packaging. All pQDs will be identical. Personalization for the individual physician (i.e. selection of specific plans) will be done wither by the physicians or the drug rep.

MANAGEMENT TEAM

Organization

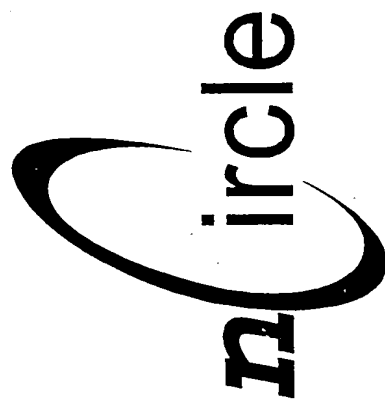
nCircle Communications is organized as a C Corporation.

Key Management Personnel

nCircle was founded by Jeff Tangney and Richard Fiedotin. They currently manage all operations of the entity. Upon outside funding, a search will commence for a CEO. The ideal candidate has experience scaling up a high-tech start-up. He or she must also exhibit unquestioned integrity and an ability to inspire an organization to achieve greatness. Jeff and Richard will remain as Vice-Presidents of Business Development and Marketing, respectively.

Additional personnel have been identified for product management, engineering, and operations.

EXHIBIT B



Communications

Discussion with Pfizer regarding PharmAssist Promotional Program

CONFIDENTIAL

This document contains proprietary ideas, concepts, and other information which belong exclusively to the authors. Information disclosed herein should be considered proprietary and confidential. This document is the property of the authors and may not be disclosed, distributed, or reproduced without the express written consent of the authors.

Introductions



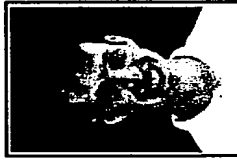
nCircle Communications

- Stanford-based technology firm focused on developing media content for mobile computing platforms
- Current areas of development include: sports & entertainment, business & trade conventions, and medical marketing



Richard Fiedotin, MD

- Associate, Morgan Stanley Equity Research
- Senior Clinical Product Consultant, HBO & Co., 1995-1997
- Founder, American Medical Forms, 1994-1998 (clients include Merck, Pfizer and Warner-Lambert)
- Surgical Resident, Emory University, 1994-1995



Simon Mawby

- Consultant, ZS Associates 1993-96
- Consultant, NDC Health Information Services 1996-98
- Author of several software products used in the pharmaceutical industry
- Worked with sales forces in the USA, UK, Canada, Mexico, Spain, France and South Africa



Jeff Tangney

- Manager, ZS Associates 1993-1997
- Associate, Goldman Sachs - Healthcare Investment Banking
- Experience includes work with Warner-Lambert, Pfizer, BMS, Roche, Searle, and Merck
- Worked with pharmaceutical sales forces in 16 countries on 6 continents

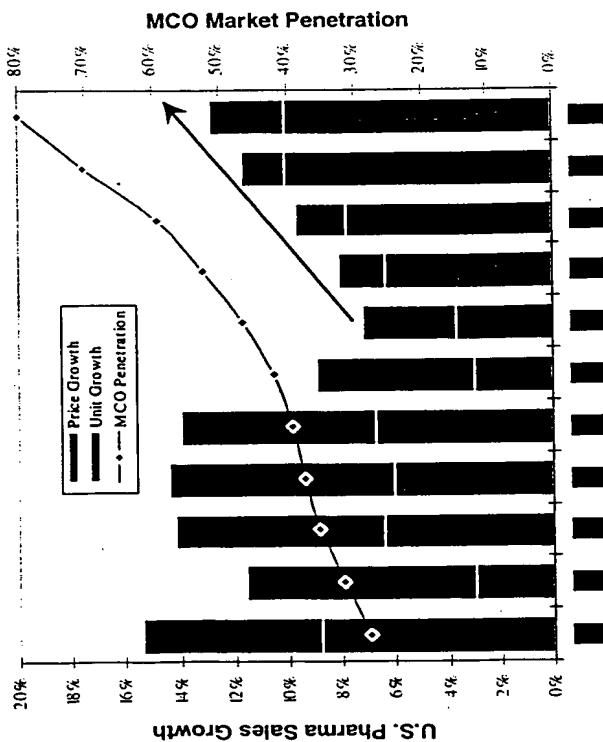


Agenda

	<u>Exhibit</u>
Pharma Marketing Environment	I
What is PharmAssist?	II
<i>(Product Demonstration)</i>	
Benefits for Physicians	III
Benefits for Payors	IV
Benefits for Pfizer	V
Next Steps	VI
<u>Appendices</u>	
Backup ROI Data	A
Overview of Off-the-Shelf Features	B

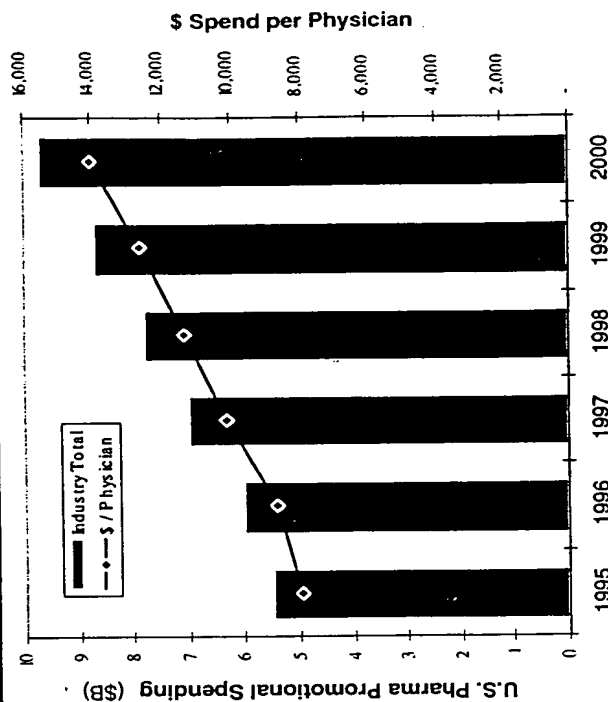
Key Trends in U.S. Pharmaceuticals

Managed Care Fuels Unit Growth . . .



- Managed care has held down prices but increased utilization. The net result is strong (>10%) growth.
- Increased utilization coupled with favorable demographics and robust R&D pipelines makes pharmaceuticals an attractive growth market.

. . . while Promotional Spending Intensifies



- Promotional spending to physicians expected to grow more than 25% in the next 3 years.
- Subject to formulary availability, the physician remains the key decision maker.
- DTC advertising has grown in importance, but still amounts to <20% of total promotional spending.

Source: IMS America and InterStudy.



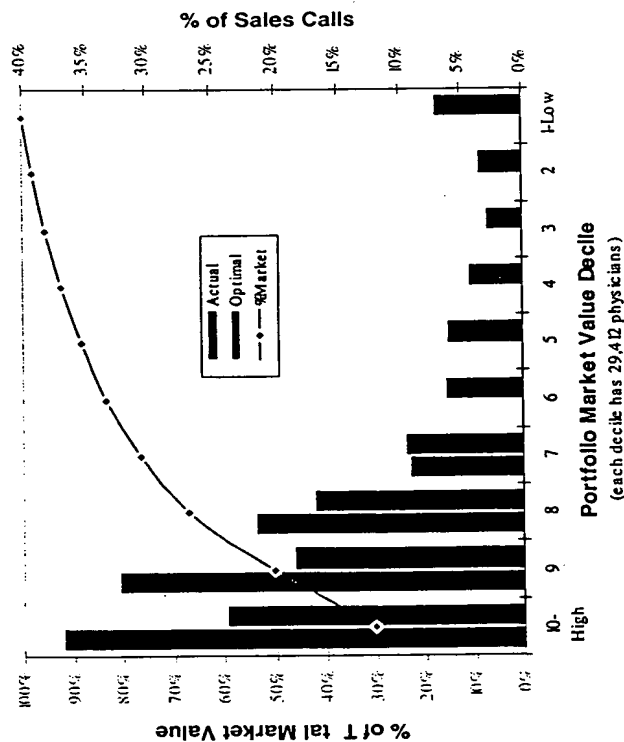
CONFIDENTIAL
© 1998 by nCircle Communications, Inc.

Source: Dain Rauscher, Wessles and Scott-Levin.

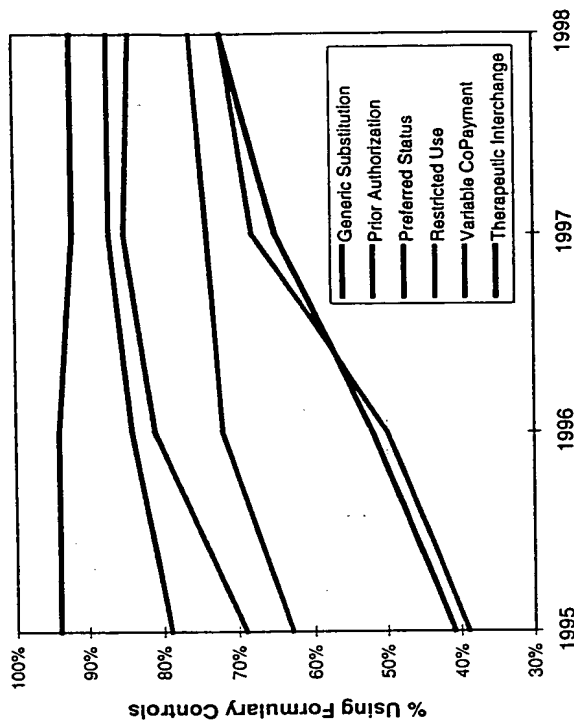


Two Increasingly Critical Barriers to Marketing Success

Access to Top Physicians



Formulary Position



- Access to top prescribing physicians is increasingly limited by MCOs and growing competitive noise.
- The top 30,000 physicians represent over 30% of the combined market for Cardiovascular, Antibiotics, and Anti-depressants.
- Not only are formularies becoming more prevalent, they are also gaining more control through measures like therapeutic substitution.
- Over 80% of HMOs currently maintain a closed or partly closed formulary.

Source: IMS script level data for combined CV, AB, and AD markets, 1995. Includes only physicians who have written at least 10 scripts in the past year. Call data based on actual major pharma company.

Source: Pharmacy Benefit Report, Trends and Forecasts, 1997 Edition, Novartis, East Hanover, N.J.



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PharmAssist Helps Overcome the Access Barriers

Access to Top Physicians

- Great "Door Opener" for tough to reach top physicians
- Add-on programs and support provide ongoing rep access
- Prominent brand name display with high viewing frequency
- Gather personal/practice data on top targeted physicians
- Deliver personalized electronic advertising

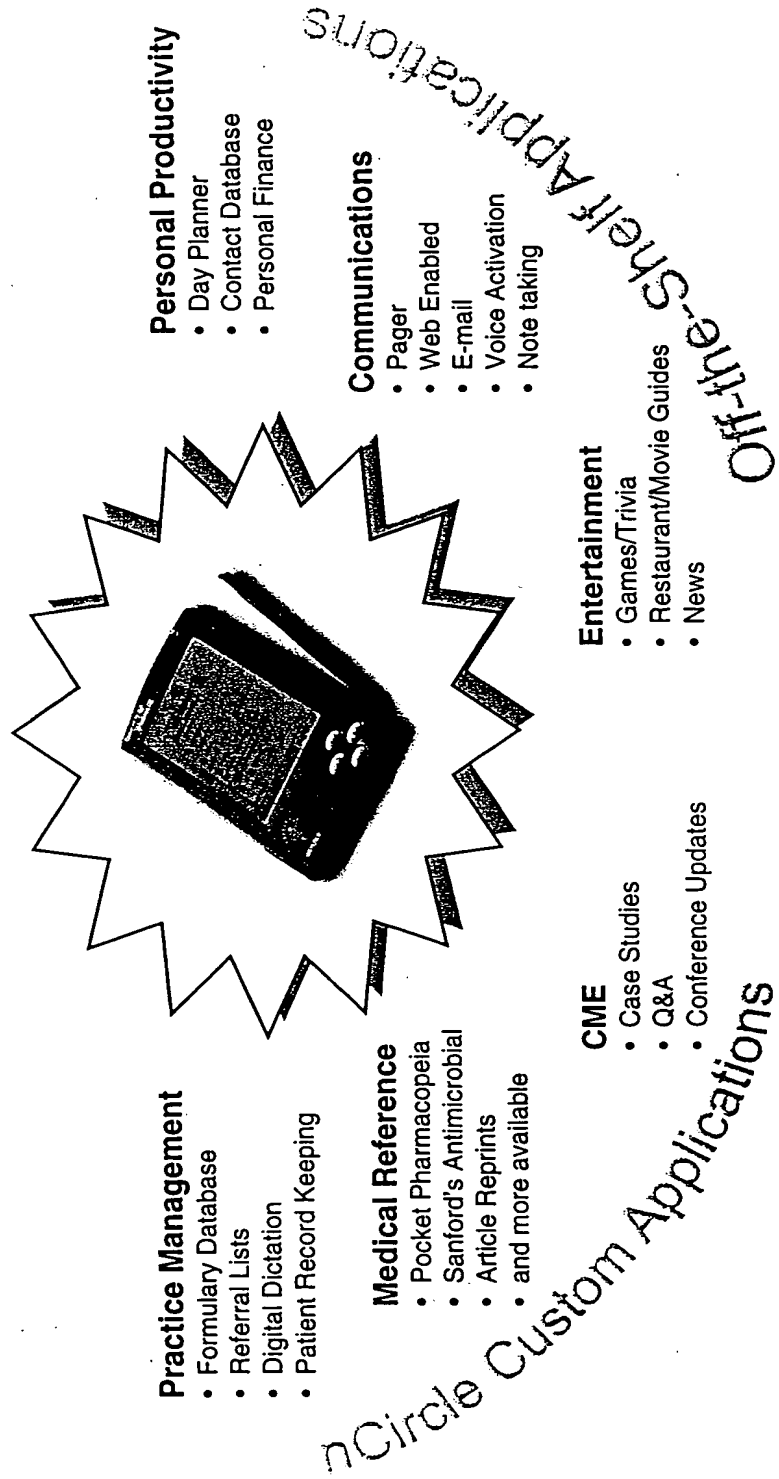
Favorable Formulary Status

- Partner with payers to reinforce formularies and guidelines
- Improve physician productivity
- Develop technology platform for additional programs
- Build ongoing relationship with payers
- Gain real-time access to changes in formulary status

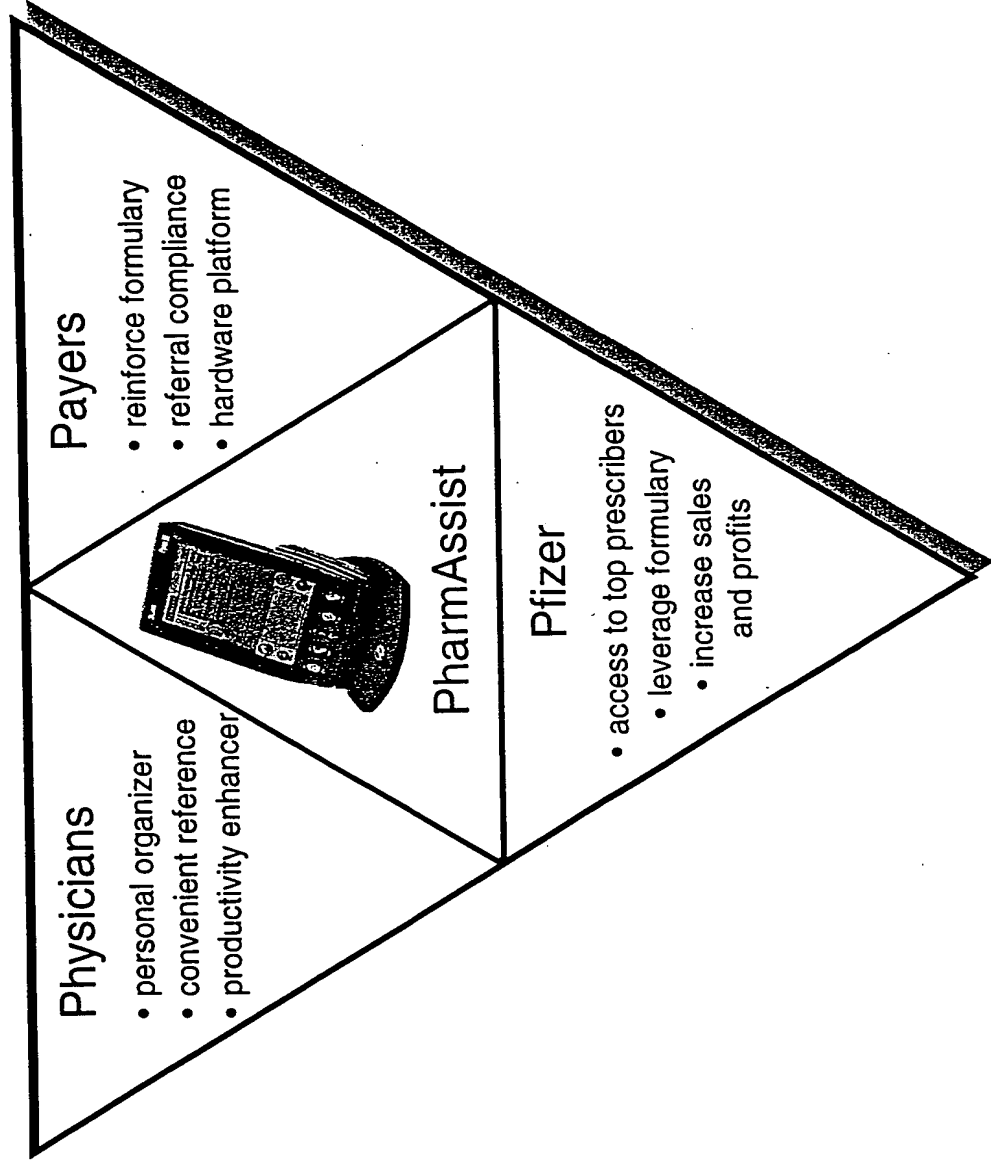
PharmAssist is a novel promotional program designed to give pharmaceutical companies unparalleled access top physicians while simultaneously improving rapport with payers.

What is PharmAssist?

- PharmAssist is promotional program which provides high value physicians with **Personal Digital Assistants (PDAs)** bundled with customized software, ongoing support, and online access.



PharmAssist: A Win-Win-Win Proposition





Key Benefits for Physicians

■ Clinical

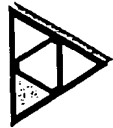
- Easy access to the latest medical information at the point of care
- Best-of-class content enhanced with hypertext links and analytical tools
 - improved quality of care
 - facilitated CME
 - broader base of knowledge
 - greater ability to address clinical demands of MCO gatekeeper role

■ Practice Management

- Integrated pager and dictation features
- Light weight, portable hardware with embedded content obviates need for additional costly reference materials/updates and desk space as well as reliance on slow network connection
- Easy access to current plan formularies and referral lists → greater compliance with payer rules
 - increased front- and back-office efficiency
 - more time spent on patient care and increased patient throughput
 - maintenance of payer contracts
 - decreased oversight by payers

■ Personal

- Date book, address book, to-do list, memos
- Free software and content from the Internet (e.g. financial calculator, wine lists, golf scorer, etc.)
- Pager and reminder dictation

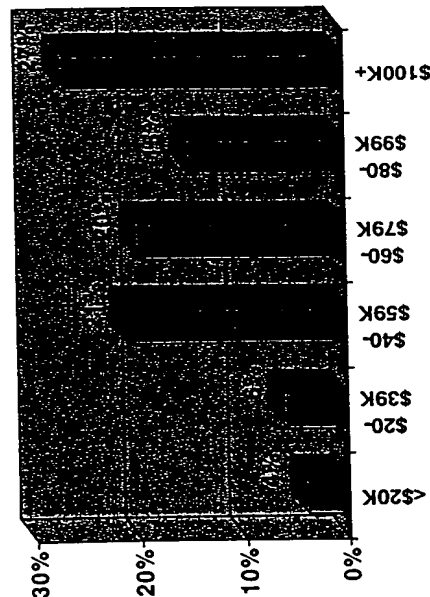


Demographic Compatibility

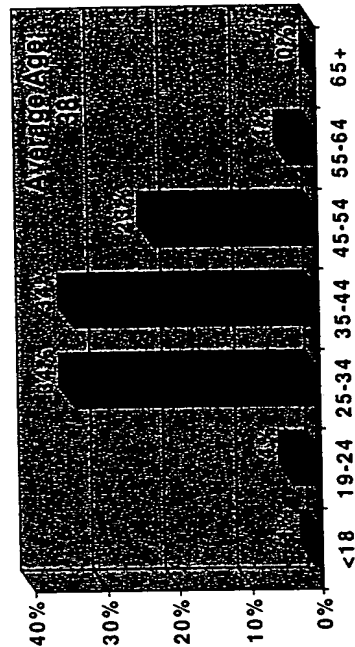
Technology Acceptance

- Number one consumer product launch in history.
- There are at least nine major Internet sites targeted specifically at needs of physicians and healthcare providers.
- Several sites, like Medscape and Physician's On-Line already boast over 600,000 members.
- Pilot PDA programs already in place at Massachusetts General and other sites.

Income



Age



Current PDA Users

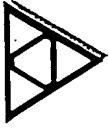
Industry	%
Technology	33.0
Financial Services	8.2
Healthcare	8.0
Manufacturing	7.2
Education	7.0
Distribution/Sales	5.0

Source: Palm Pilot phone survey of 400 randomly selected users, July 1997. Medscape on-line newsletter, and other Internet sources.

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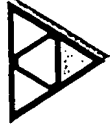




Key Benefits for Payers

- **Improved Formulary and Referral List Compliance**
 - Additional platform on which to communicate formulary and referral list
 - Easy-to-use, hypertext-linked tool facilitates looking up medications and referral physicians
 - Inexpensive, rapid updates to formulary and referral list
 - greater compliance with formulary and referral lists
 - cut Rx costs by improving formulary compliance and out-of-network expenses
 - information is always up-to-date
 - benefits come at no cost to payers
- **Provide Hardware Platform**
 - Potential for payers to leverage PDA for additional benefits
 - communicate with physicians (through you) via pager or web
 - billing codes, scheduling, script tracking and much more
- **Develop Rapport with Physicians**
 - Assist physicians in dealing with multiple plans
 - Be viewed as sympathetic to physicians' need for administrative support

Key Benefits for Pfizer



■ Establish Long-term Positive Relations with the Most Valuable Physicians

- *Door Opener:* Top physicians will ask to see reps
- *Quality Time:* Reps get high value face time consulting with physicians
- *Profile Data:* Gather personal data on usage and user profiles
- *Brand Placement:* Average user turns on PDA 13 times daily¹
- *Follow-up Visits:* Rep demonstrates new features/benefits
- *Electronic Ads:* Personalized content via both Internet and PDA
- *Add-ons:* Offer top physicians low-cost high-value accessories

■ Harness Value of Formularies for Pfizer

- *Push-through:* Gain increased formulary access by offering value to payers
- *Pull-through:* Reinforce favorable formulary status

⇒ Increased Sales and Profits

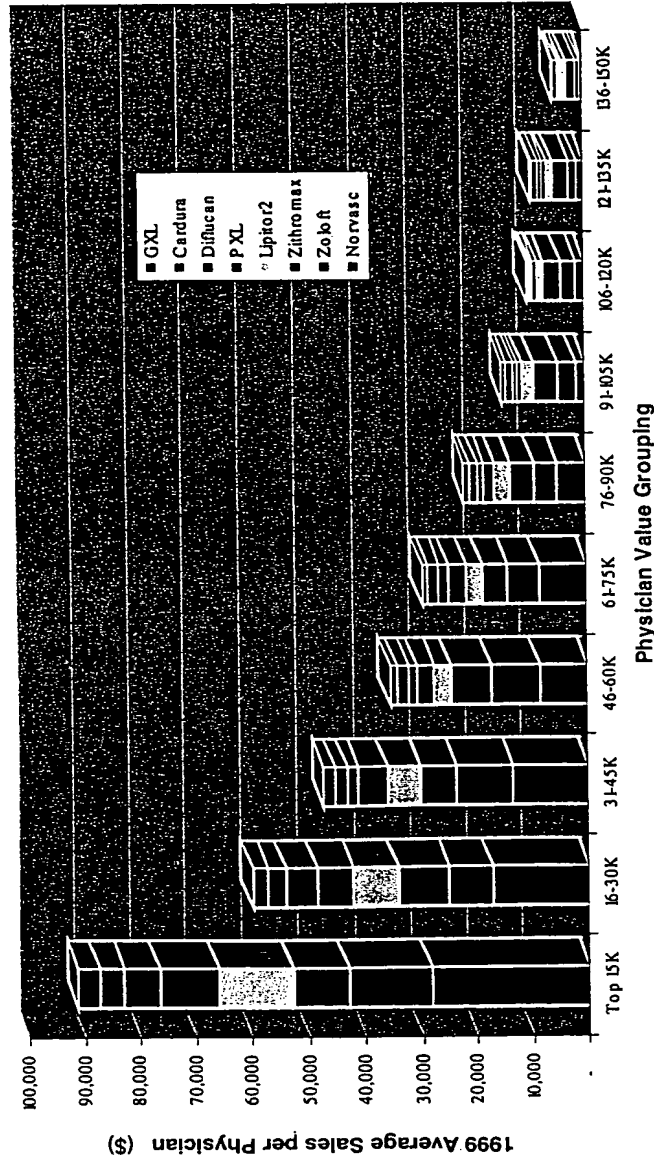
⇒ Attractive Return-on-Investment (ROI)

- On a stand-alone basis
- Relative to other promotional programs

¹Source: Palm Pilot phone survey of users, July 1997.



Estimated Future Value of Top Physicians



Based on current sales projections, the top 15,000 physicians will be worth nearly \$300,000 apiece in total Pfizer sales over the next 3 years.

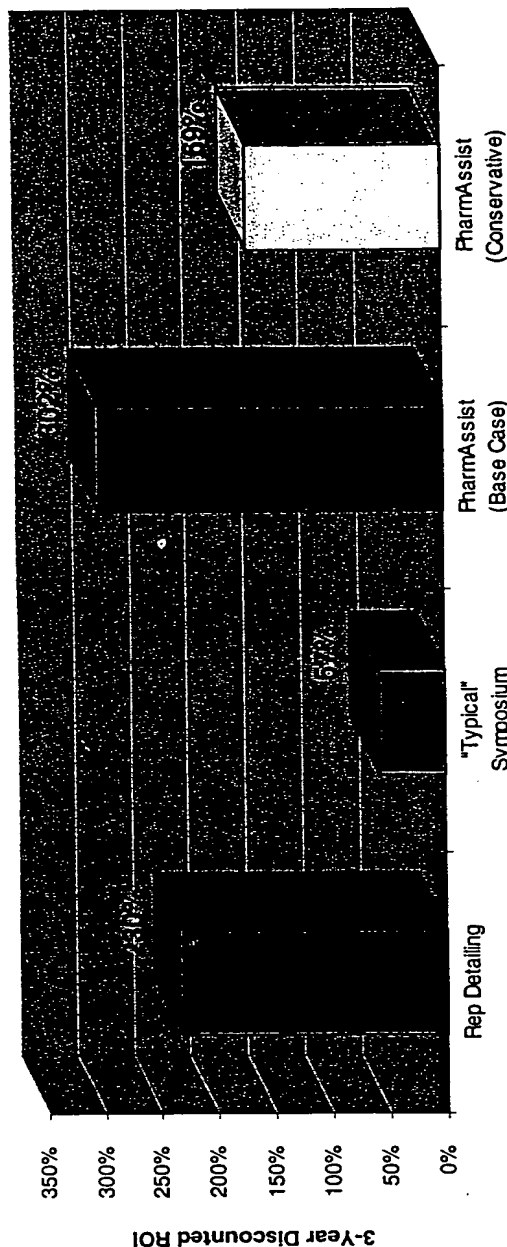
Notes: Based on dollarized IMS Market data as of 12/95. Includes only major promoted products (as listed) excluding Viagra, Aricept, and Zyrtec. Assumes that 30% of Lipitor sales are credited to Pfizer. Sales forecasts based on Morgan Stanley Dean Witter estimates as of 7/12/98. Supporting data tables provided in Appendix A.



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Comparing Promotional ROI



Promotional Activity	Average Cost/Physician	Estimated % Sales Impact ²	3-Yr Disc. Profit ³	3-Yr Disc. ROI ⁴	Other Considerations
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PharmAssist (Conservative)	\$ 700	3% 1999 2% 2000 1% 2001	\$ 1,183	169%	

¹Assumes an average of 10 calls per year at \$125 per call.

²Measures incremental sales per physician due to 1999 promotional activity only. Year 2000-2001 represent carryover sales.

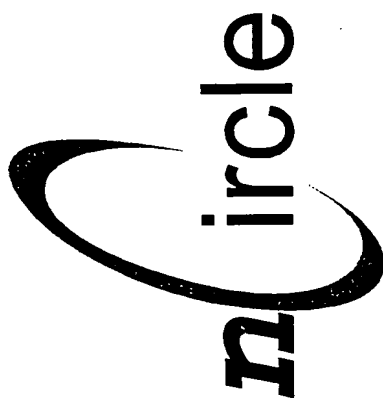
³Based on an "average" physician with 1999 sales value of \$40,000. Assumes an 80% incremental profit margin and 12% discount rate for future cash flows.

⁴ROI measures 3-Yr Disc Profit over upfront cost.



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EXHIBIT C



Communications

Business Opportunity Discussion

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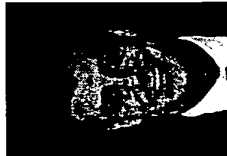
Introductions



nCircle Communications, Inc.

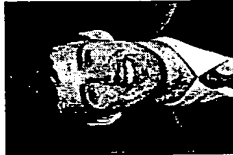
Mission: To be the leading provider of mobile computing systems for physicians

Co-Founders



Richard Fiedotin, MD

- HBO & Co. - Clinical Product Consultant
- American Medical Forms - Founder (clients include Merck, Pfizer and WLA)
- Morgan Stanley - Equity Research.
- MBA, Stanford



Jeff Tangney

- Goldman Sachs - Healthcare I-Banking
- ZS Associates Consulting - Manager
- Worked with WLA, Merck, Pfizer, Searle, BMS, & other pharma in total of 16 countries
- MBA, Stanford

Core Team

Shubhasheesh Anand

- MSCS, Stanford
- BSCS/BSE, IIT
- Silicon Graphics - Project Manager
- IBM - Senior Software Engineer

Sachin Naik

- BSCS, IIT
- Tandem - Software Eng.

Rachel Pyrdol

- MSME, Stanford
- IDEO - Product Developer
- Product Genesis - Mech. Eng.
- Lunar Design - Mech. Eng.

Dan Zucker

- PhD EECSL Stanford
- MS/EE BS/EE, Stanford
- Mgr Network Apps
- AMD

Consultants

Thomas Lee, MD
Stanford MBA

Kim Jacobson
Stanford MBA

Simon Mawby
Stanford MBA



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What is a Formulary?

- A list of drugs your insurer will pay for.
- Imposed by insurers to cut costs.
- Determined by clinical efficacy and ongoing price negotiations with pharmaceutical companies.

Sample Drug Formulary List for Top California Insurers:

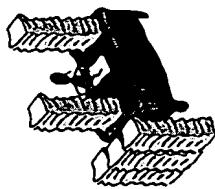
ACE Inhibitor Drugs -- Formulary Status for Top California Plans										
Kaiser										
California										
Generic Name	Brand Name	Aetna	Blue Shield	Care	CIGNA	Health Net	North	Lifeguard	PacificCare	United
Benazepril	Lotensin	ON	ON	ON	ON	ON	off	ON	ON	ON
Captopril	Capoten	Gen	Gen	Gen	Gen	ON	Gen	ON	Gen	Gen
Enalapril Maleate	Vasotec	off	off	off	off	off	off	off	PA	ON
Fosinopril	Monopril	ON	ON	ON	ON	ON	off	ON	PA	ON
Lisinopril	Prinivil	ON	ON	off	ON	off	off	off	off	ON
Lisinopril	Zestril	off	off	ON	off	ON	ON	ON	ON	off
Lisinopril/HCTZ	Prinzide	off	off	ON	off	off	off	ON	ON	off
Losartan	Cozaar	ON	off	off	PA	off	off	ON	PA	ON
Quinapril	Accupril	ON	off	ON	ON	ON	off	off	PA	ON
Ramipril	Altace	ON	off	off	off	off	off	off	PA	off

Legend: "ON" = on formulary (paid for), "off" = off formulary (not paid for), "Gen" = generic only, and "PA" = Prior Authorization req'd for payment.

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Formulary Management Today

How is formulary information communicated?



Each insurer delivers formulary books or binders to physicians quarterly or semi-annually



Insurers employ sales forces to remind physicians of formulary restrictions and changes

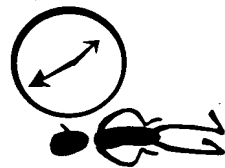


Doctors must either memorize formulary lists or refer to binders for each prescription written

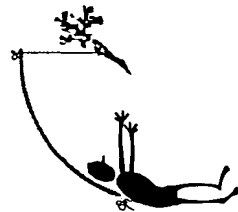
What happens when a physician doesn't comply?



Pharmacist detects "off-formulary" prescription and calls physician for therapeutic substitution



Patient and pharmacist wait while nurse delivers message to physician, physicians consults patient records, and calls back with alternative drug



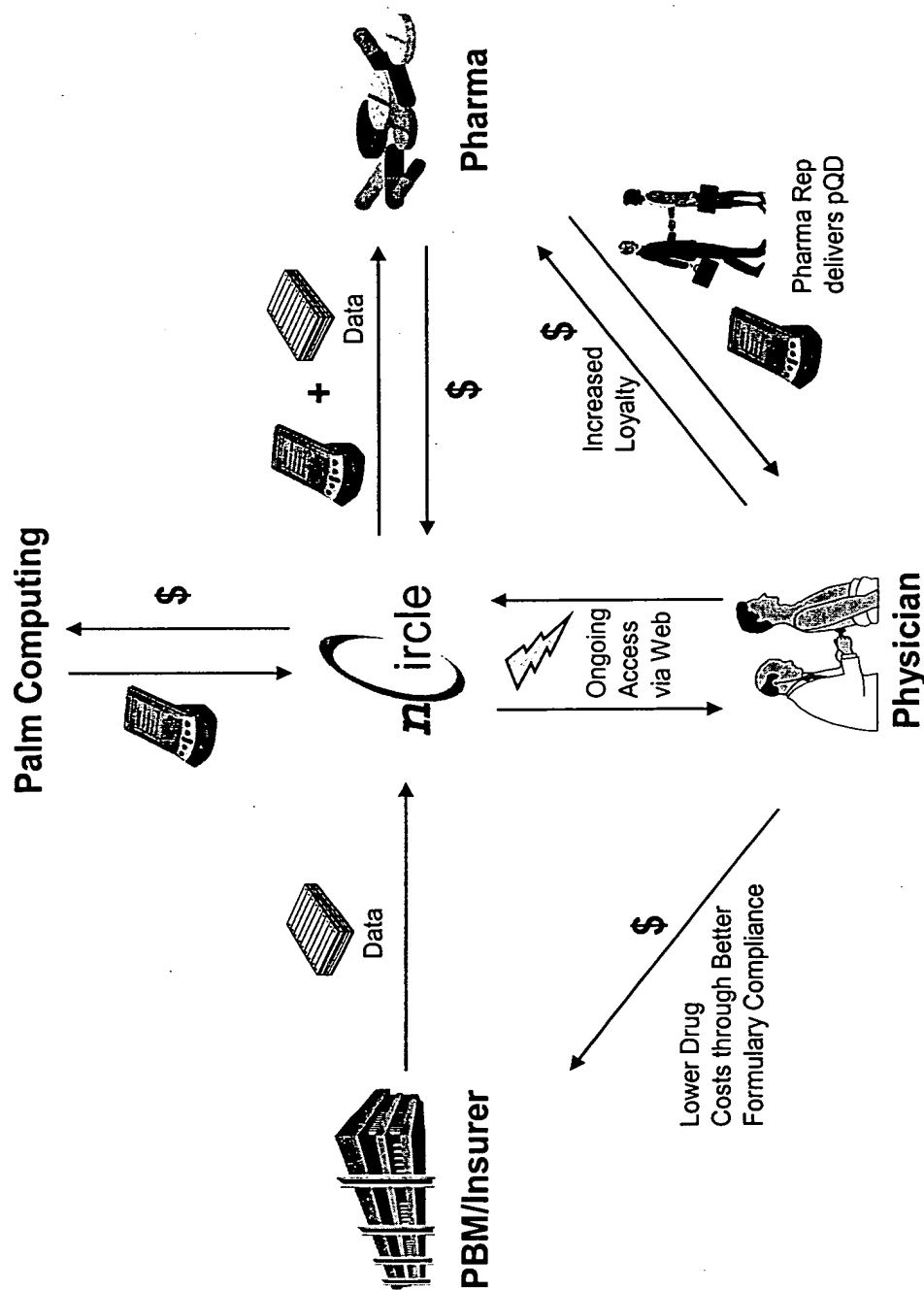
"Risk pooling" arrangements with insurers financially punish physicians for writing off-formulary prescriptions

A Growing Problem for Physicians

- The number of contracted plans is proliferating
 - Alphabet soup of plans: HMO / PPO / POS / FFS / IPA
 - The average physician contracts with 5.5 insurance plans
 - Top prescribing physicians typically deal with upwards of 30 plans
- Formularies becoming increasingly restrictive
- Formulary management growing more aggressive

Despite financial disincentives, the hassle of pharmacist callbacks, and ongoing marketing and education efforts, roughly **20% of all prescriptions today are still written off formulary.**

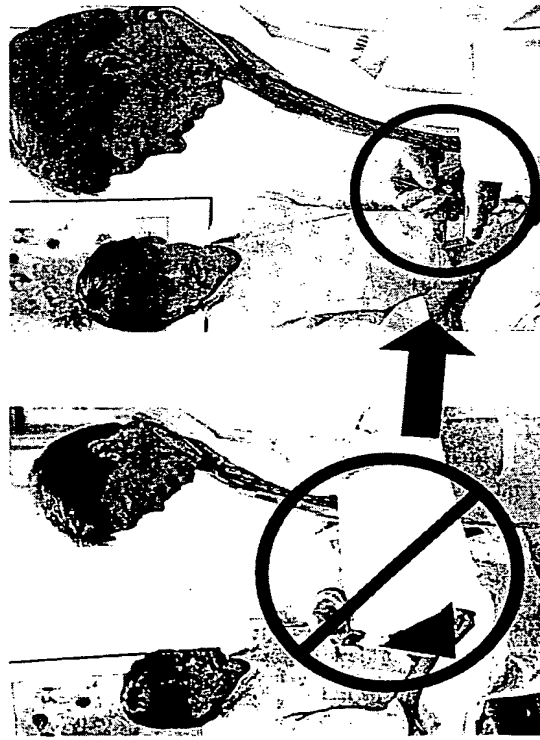
Phase I: Business Model Overview



The Solution? Physicians' Query Device (pQD)

pQD = Use Daily

*Just what the Doctor ordered.
Simple. Functional. Intuitive.*



Before pQD

Wade through dozens of binders to find the ever-changing insurance rules for a particular patient.

After pQD

*Quick and easy formulary and referral data in 3 clicks or less.
No need to leave the room and no need to worry about updates.*

Stage I Application Suite

■ Core Reference Applications

- Formulary
- Drug Dosing
- Drug-Drug Interactions
- ICD-9 Codes

■ Personalized Messaging

Keep abreast of FDA Alerts, article reprints, and events with personalized messaging options.

■ Internet Conduit and Database

Via your web-enabled PC or Mac, pQD automatically downloads updated data and messages.

nCircle pQD Product Design Mandates

- pQD must operate the way physicians do – it must be mobile, intuitive, and fast
- pQD must fit the physician's workflow -- it will require no security logins, no leaving the exam room, and no interruption of face-to-face patient interaction
- The limitations and the potential of pQD must be clearly recognized – excessive technological ambition will lead to market rejection
 - No data entry required. Simple pointer navigation system.
 - One-touch updates from web-accessible PC
- pQD feature creep should be gradual – physicians will not absorb radical changes to their practice patterns
- Physicians are loathe to pay for technology – pQD must be free to them

What Physicians Are Saying About pQD

nCircle has conducted extensive one-on-one interviews and focus group prototype testing with over 50 practicing physicians to review our product design and concept. Here's what they're saying:

■ Eliminates Hassle

- "Formulary compliance is important. But it is also unachievable without help. I need something like this. It would save me and my patients a lot of hassles."

-Internist, Bethesda, MD

- "The insurance companies impose all kinds of rules on us. They make my life impossible. Anything that can help me deal with them even a little bit would be valuable."

-Internist, San Jose, CA

■ A Real Time-Saver

- "I don't have the time to look things up in the books and I don't like leaving the exam room to do so. In fact, I throw the books away. This I could use."

-Oncologist, Atlanta, GA

- "I spend a lot of time dealing with calls from pharmacies and patients when I write off-formulary. The problem is that looking every prescription up beforehand is even more time-consuming. Using this device could save me literally hours of time each month."

-Cardiologist, New York, NY

■ A Popular Platform

- "I normally don't meet with drug reps but I would be willing to schedule an appointment with one in exchange for a free Palm Pilot."

-Cardiologist, Atlanta, GA

- "I have a Palm but I would love a new one."

-Gastroenterologist, San Jose, CA

Physicians' Enthusiasm for the Palm Platform

Technology Acceptance

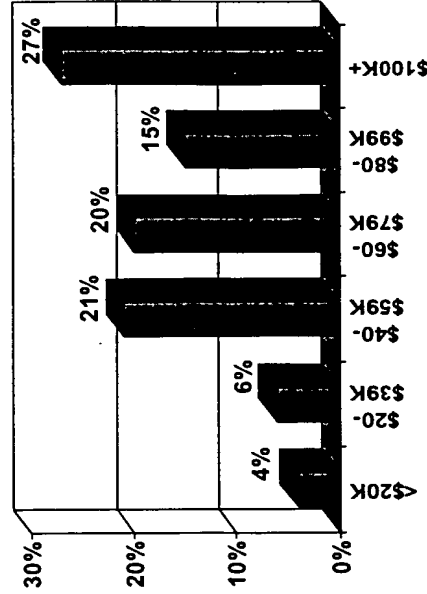
- The Palm Pilot is #1 consumer electronics launch in history (in terms of unit sales growth)
- Eighty-five percent of physicians have Internet access. Sixty-three percent use email daily.
- Several sites, like Medscape and Physician's On-Line already boast over 600,000 members.
- Pilot Palm programs already in place at Massachusetts General and other sites.

Current Palm Users

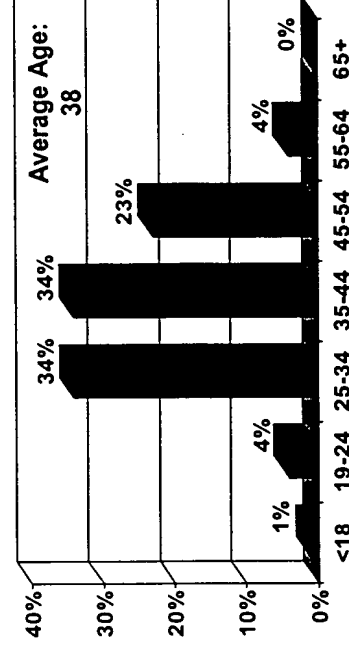
Industry	%
Technology	20.4
Healthcare	9.7
Financial Services	8.2
Communications	6.0

We estimate that roughly 100,000 physicians already own Palm organizers.

Palm Owner Income



Palm Owner Age



Source: Palm Pilot phone survey of 400 randomly selected users, July 1997 and updated March 1999, Medscape on-line newsletter, Healthcon survey, and other Internet sources.

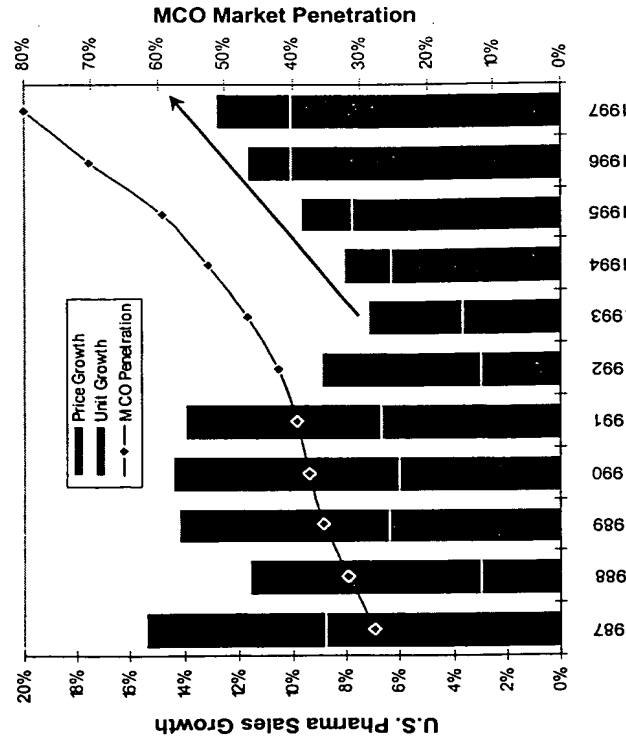


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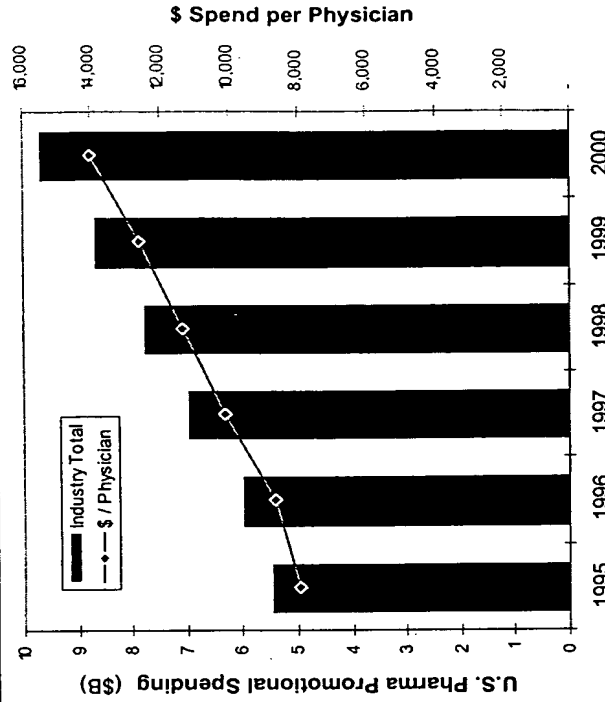
Key Trends in U.S. Pharmaceuticals

Managed Care Fuels Strong Growth ...



- Managed care has held down prices but increased utilization. The net result is strong (>10%) growth.
- Increased utilization coupled with favorable demographics and robust R&D pipelines makes pharmaceuticals an attractive growth market.

... which Fuels Marketing "Arms Race"



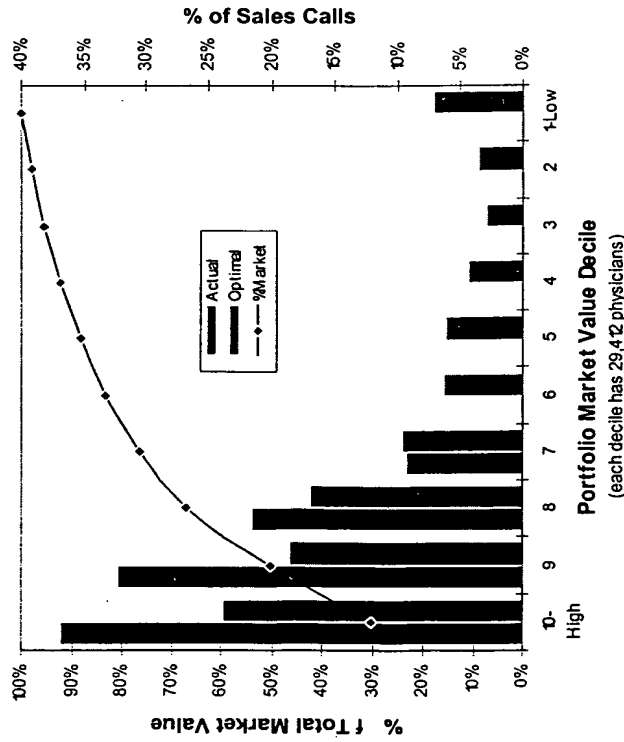
- Promotional spending to physicians is expected to grow more than 25% in the next 3 years.
- Subject to formulary availability, the physician remains the key decision maker.
- DTC advertising has grown in importance, but still amounts to <20% of total promotional spending.

Source: IMS America and InterStudy.

Source: Dain Rauscher Wessles and Scott-Levin.

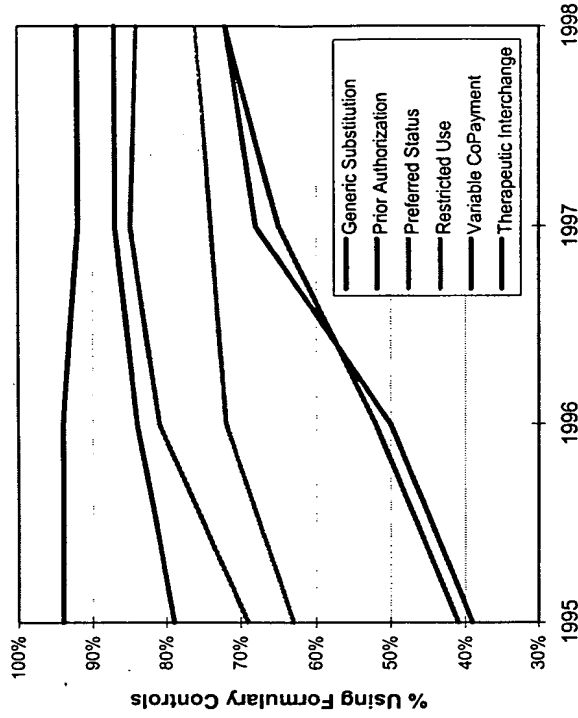
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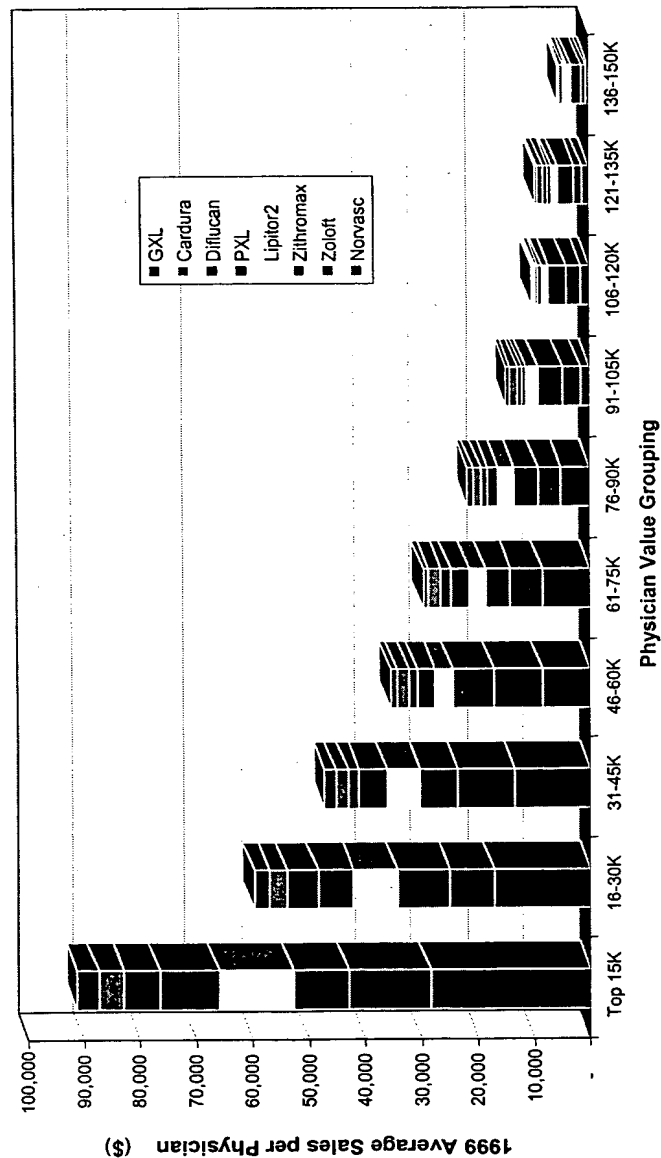


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 - *Profile Data:* Gather personal data on usage and user profiles
 - *Brand Placement:* Average user turns on Palm 13 times daily¹
 - *Follow-up Visits:* Rep demonstrates new features/benefits
 - *Palmtop Messaging:* True one-to-one marketing via both Internet and pQD
 - *Desktop Ads:* Leverage "SuperBowl spot" when HotSyncing
 - *Add-ons:* Offer top physicians low-cost high-value accessories
- **Harness Value of Formularies**
 - *Push-through:* Gain increased formulary access by offering value to payers
 - *Pull-through:* Reinforce favorable formulary status

¹Source: Palm Pilot phone survey of users, July 1997.

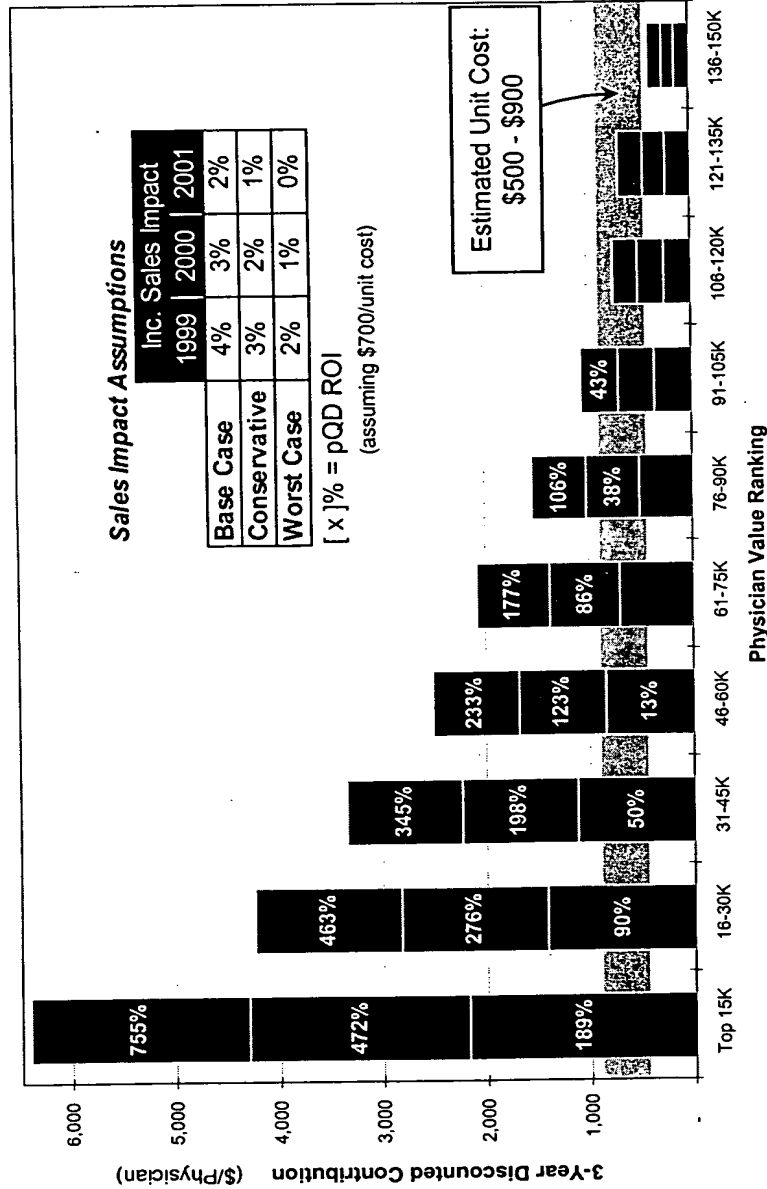
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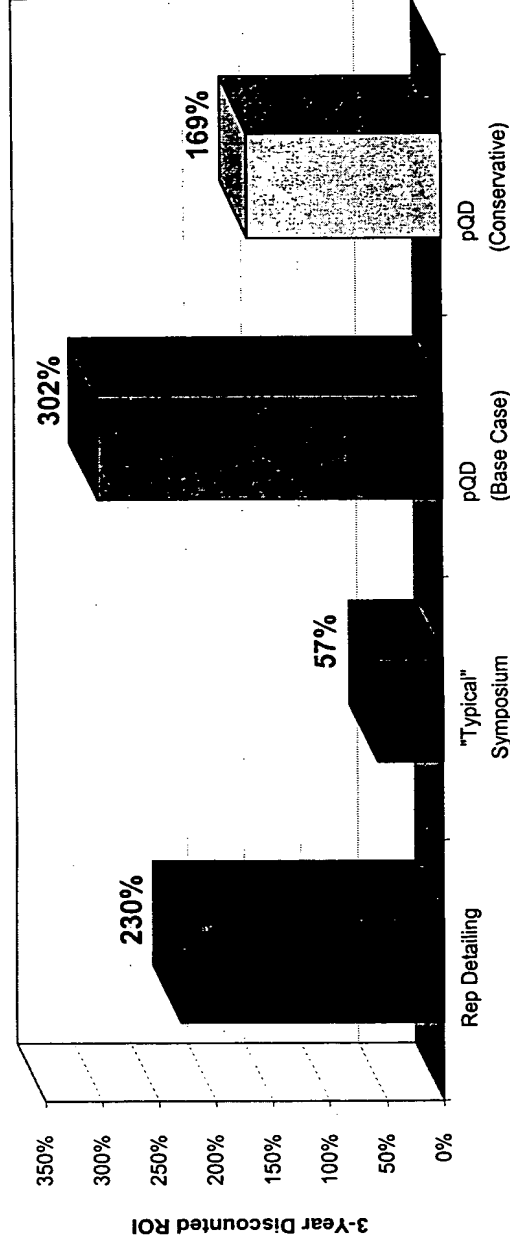
pQD Return on Investment to Pharma



Even with conservative assumptions, pQD generates Pharma profits of at least \$1,000 per unit for the top 50,000+ physicians.

Notes: Contribution represents the 3-Yr incremental profit derived from pQD program incremental sales. Conservatively assumes 80% incremental profit margin on sales and a 12% discount rate on future year profits. Includes only major promoted products (as listed on previous page) excluding Viagra, Aricept, and Zyrtec. Conservatively assumes that 30% of Lipitor sales and profits are credited to Pharma. Sales forecasts are based on Morgan Stanley Dean Witter estimates as of 7/12/98. Supporting data tables provided in Appendix A.

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¹ Assumes an average of 10 calls per year at \$125 per call.

² Measures incremental sales per physician due to 1999 promotional activity only. Year 2000-2001 represent carryover sales.

³ Based on an "average" physician with 1999 sales value of \$40,000. Assumes an 80% incremental profit margin and 12% discount rate for future cash flows.

⁴ ROI measures 3-Yr Disc Profit over upfront cost.



Key Benefits for Payers/PBMs

- **Improved Formulary Compliance**
 - New channel for formulary data directly into the physician's shirt pocket
 - Targets top prescribers who control majority of prescription volume
 - Inexpensive, rapid updates provide greater flexibility in contracting
- **Hardware Platform Free-of-Charge**
 - Potential to leverage Palm organizer for additional applications
 - e.g., treatment pathways, on-line prescription ordering, script tracking, instant messaging and much more
- **Ease Patient, Pharmacist, and Regulatory Frustrations**
 - Ameliorate negative public sentiment and lobbying activities against formularies by reducing the hassle and confrontation of off-formulary prescriptions
- **Develop Rapport with Physicians**
 - Assist physicians in dealing with multiple plans
 - Be viewed as sympathetic to physicians' need for administrative support

A Growing Problem for Pharmacy Benefit Managers

Costly

- The nation's overall prescription-drug bill rose 16 percent last year, to an estimated \$ 94 billion, atop a 13 percent increase the year before

Contentious

- Seventeen states are currently considering bills that would "weaken the effectiveness of drug formularies" by requiring formulary coverage where physicians consider it "medically necessary"
- California recently ordered five HMOs to keep 14 drugs on their formulary

Philadelphia Inquirer

Sunday March 14, 1999

Insurers' Push to Cut Prescription Costs Risky to Patients, Doctors Say

by Jeff Gelles

A worried mother's phone call was the only warning Dr. Heather Forkey got.

The woman's 7-year-old son, one of Forkey's patients in her practice at Children's Hospital of Philadelphia, already lived with oversize burdens: hypertension, asthma, eczema, poor growth.

Now, it seemed to Forkey, the health-care system had almost dumped another burden on him. His insurer was trying to switch the hypertension medication that Forkey prescribed to one she feared could be dangerous to him.

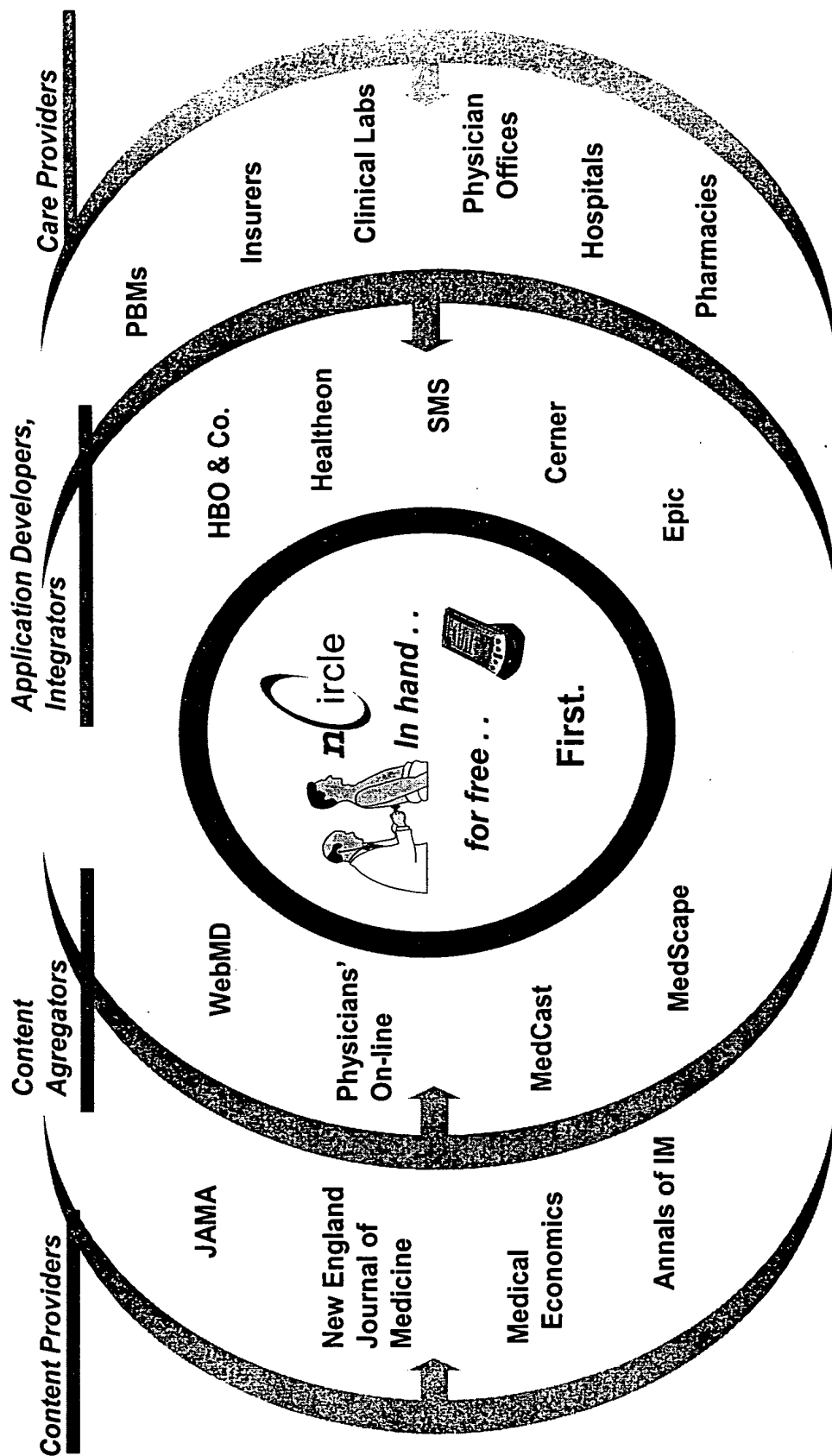
Welcome to the world of pharmaceutical managed care, where the drug your doctor chooses may not be the one you take home from the pharmacy.

...

Key Benefits for Palm

- **Direct Sales**
 - Expect 50,000 units in first year plus future model upgrades
- **Retail Spillover Sales**
 - Achieve rapid penetration of affluent and influential target market
 - Expect spillover sales to other doctors and healthcare professionals
 - Expect spillover sales to patients
- **Establish Palm as “Gold Standard” in Healthcare**
 - Palm platform becomes natural standard for cost-conscious systems integrators as top physicians already have free Palms
 - Physician familiarity with Palm builds barrier to entry for other platforms
 - HC IT is huge market. Revenues in 1998 at \$16B growing at 15-20% per annum
 - Attractive Pharma market (e.g. SFA) gains in acceptance of Palm platform
 - Unique sales model leads to rapid market acceptance
 - Potential for “market tipping” to Palm over Windows CE

Phase II: The "Last Meter" in Healthcare



Where We Stand Today

Physicians

- Confirmation from over 40 physicians in a variety of practice settings
- Pilot Study at Stanford Student Health Services launched last week
- Preliminary discussions with additional test sites

PBMs/Insurers

- Relationships established with top 8 players representing 92% of market
- Received data from Caremark (#4)
- Agreement with Advanced Paradigm (#5)
- NPA (#6) and Express Scripts (#3) interested in equity - potential exclusive
- Meetings scheduled in next 3 weeks with Merck-Medco (#1) and PCS (#2)

Pharma

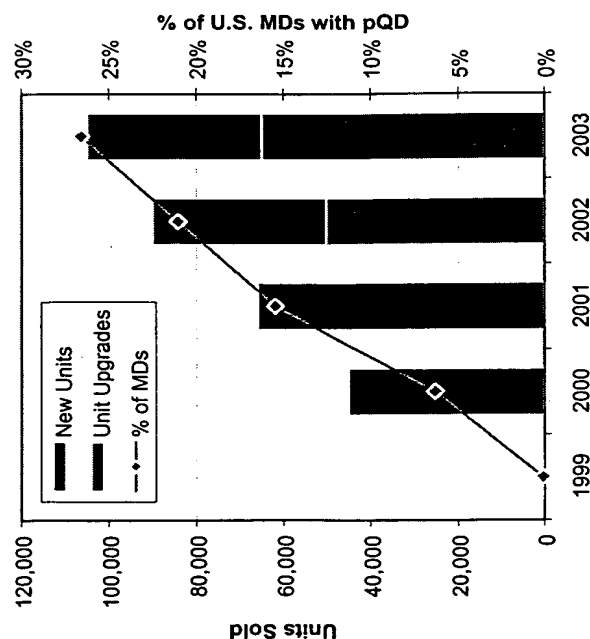
- Initial Meetings with Pfizer and Warner-Lambert confirmed significant demand
- Awaiting completion of pilot studies for further marketing efforts

Technical Developments

- Palm backing secured
 - free Palm V's for test site
 - private labeled "nCircle" units
 - joint sales calls with Palm
 - market development funding
- Alpha version of formulary and conduit applications finished
- Web site launched

Platform Sponsorship Revenue Forecasts

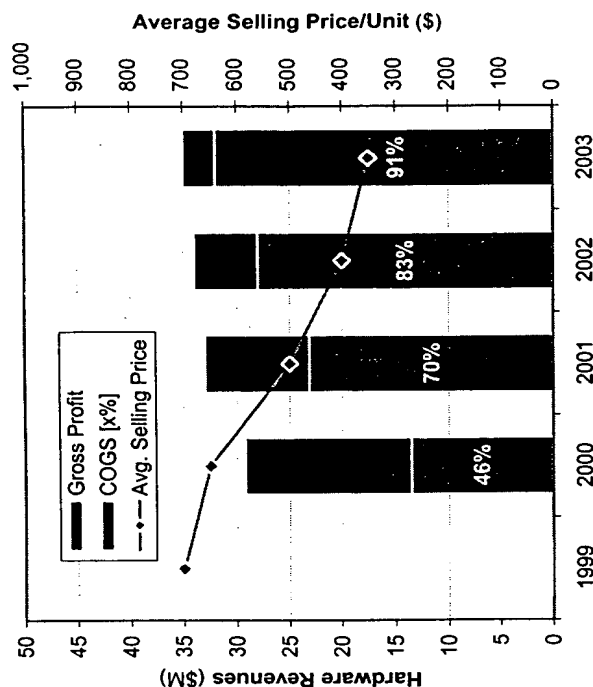
First-Mover Advantage Will Drive Penetration



Key Assumptions:

- Pilot study in Q4 1999
- Launch with 2 Pharma companies in 2000
- Add 1-2 more Pharma in 2001 and extend reach of program for existing Pharma clients
- Replacement with model upgrades ~2 years after original sale

... while Declining Prices Improve Affordability



Key Assumptions:

- Pricing represents average across different models, e.g., Palm III, Palm V, Palm VII
- Conservatively assumes almost no price concession from Palm (\$300/unit growing to \$350 in 2001)

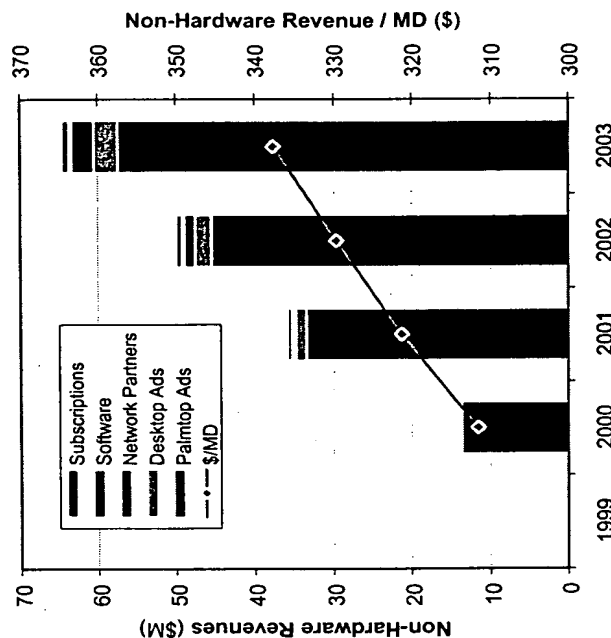
Note: Market penetration based on projected 720,000 physicians as per WebMD S-1 filing.

Additional Revenue Sources

Revenue Sources and Assumptions

- **PalmTop Advertising**
Article reprints, FDA alerts, Rep notes, and much more. True one-to-one marketing. MedCast sponsorship sells for \$356 per MD per year for each Pharma company for what is essentially a standard banner ad. We very conservatively estimate \$300 per MD per year in total PalmTop advertising.
- **Database Subscriptions**
Fee charged to Pharma for ongoing data access. We assume \$5 per physician / year.
- **Desktop Advertising**
Target ads which appear as physician HotSyncs and while they are on Web Site. We assume 100 impressions / MD / year, a CPM of \$150, and unused inventory of 70% falling to 20% in 2003.
- **Network Partner Fees**
MCOs, e-tailers, and network integrators need access to Physicians at the point of care. We assume that this access will become most relevant when we migrate to wireless platforms. Sample clients might include Humana, MedPartners, Healththeon, and PlanefRx. In 2003, we estimate network access fees of \$30 per MD for 50% of our installed base of users.
- **Software Sales to Physicians**
Develop and sell additional clinical oriented apps to user base (e.g., CME on-line, Web scheduling, simple EMRs, etc.). A relatively small revenue opportunity, but will insure greater usage by physicians and result in additional advertising revenue.

A "Trojan Horse" Revenue Model



Revenue Mix

	2000	2001	2002	2003
Hardware	67%	48%	42%	36%
Services / Ads	33%	52%	58%	64%

Can Pharma Afford It? Yes!

pQD Revenues as % of Pharma Marketing Budgets

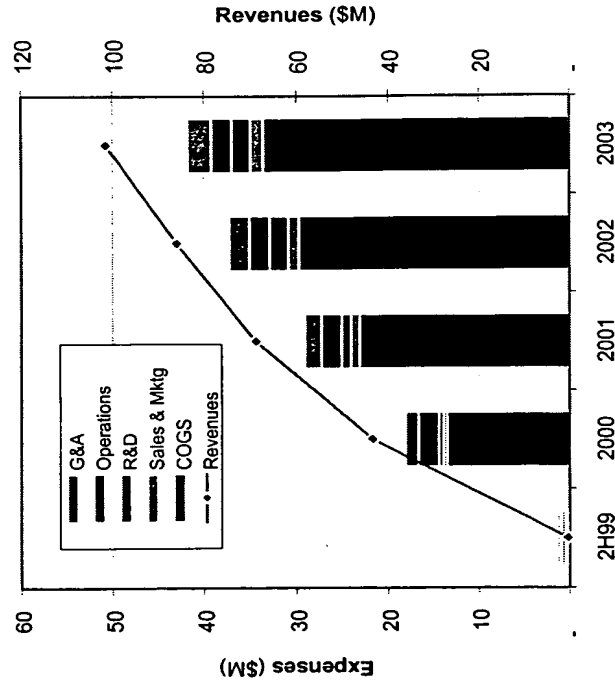
<i>(figures in US \$M)</i>	1999	2000	2001	2002	2003
Hardware	0.4	29.3	33.0	36.0	36.8
Desktop Ads	-	13.7	33.5	45.5	57.5
Palmtop Ads	0.0	0.2	0.6	0.8	1.0
Subscriptions	-	0.3	0.3	0.3	0.3
Total pQD Pharma Spend	0.4	43.7	69.1	86.3	101.7
Total US Pharma Mktg \$ for MDs*	8,450	9,610	10,929	12,430	14,136
pQD % of Pharma Mktg Spend	0.0%	0.5%	0.6%	0.7%	0.7%

Even with the generous assumption that *all* pQD advertising and subscription revenues come from pharma, the total pQD expense represents less than 1% of the pharma industry marketing budgets for physicians.

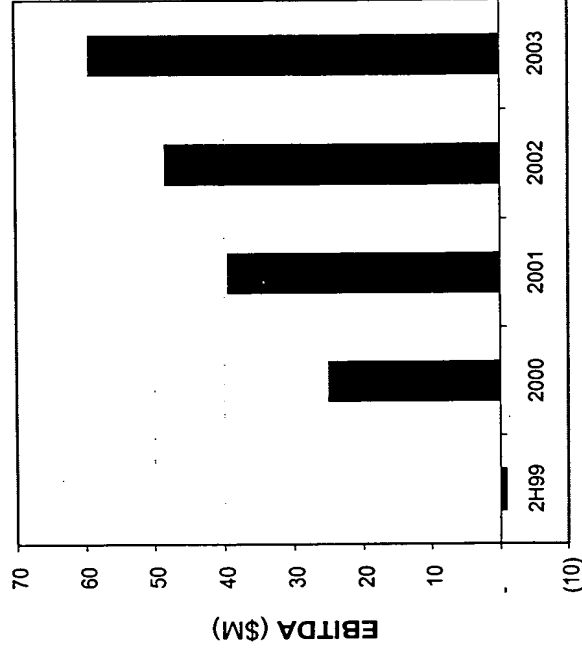
Source: Pharma Marketing Spend in US for 1999-2000 taken from Dain Rauscher Wessies Pharmaceutical Outsourcing Industry report. Data for 2001-2003 extrapolated based on average growth rate of 13.7%.

5-Year Financial Forecast

Low Overhead and High Scalability



Strong Cash Flows



Key Assumptions:

- Headcount of 10 in 1999, growing to 30 in 2001 and stabilizing at 50 in 2002
- Employee stock pool representing 5% of authorized shares used as significant portion of employee compensation

Key Risk Factors

- Physician Acceptance
- FDA Regulation of Pharma Promotion
 - Legal due diligence suggests 20% risk of intervention
- PBM refusal to provide data
 - Initial contacts have been very positive
 - Legal recourse supported by most states & pending Federal legislation
- Competing Initiatives
 - ePhysician (Sierra / Benchmark)
 - PharmInfo (Kleiner / Mayfield)

Key Competitor Profiles

ePhysician		PharmInfo
<i>Management</i>	Dr. Stuart Weisman, CEO Former gastroenterologist. First-time entrepreneur.	David Levison, CEO Former CEO of Oncare, \$1.2 B specialty practice management company.
<i>Funding</i>	Seed round in Summer of 1998. Closed Benchmark/Sierra "big" round last month.	Kleiner and Mayfield are "committed." Rumored to be closing first round this week.
<i>Board Members</i>	David Beirne, Charlie McCall, Petri Vainio, Stuart Weisman	Unknown. Brook Byers and Russell Hirsch cited as "key players."
<i># Employees</i>	~30 full-time	10-15, nearly all part-time
<i>Stage of Product Development</i>	CTO and Scient team hired in October. Ready to ship product "soon." Reportedly, no business development work done as yet with PBMs, Pharma, or Palm. Small scale pilot program in place.	Less focussed on Palm platform. Rumored to be "waiting for technology", i.e. wireless PDAs to develop further. Prototype models include hardware add-on for dictation.
<i>Core Product Design</i>	Electronic Prescription Ordering integrated w/ decision support. Claims to include integrated patient data, insurer data, and clinical information. Method of network communication unknown. Presumably this must be HotSync or IR.	Electronic Prescription Ordering integrated w/ decision support and integrated patient/insurer/clinical data. May include dictation. Plans to support multiple platforms.

Disclaimer: This information was compiled from interviews and industry contacts. As such, it may be unreliable. nCircle is not liable for its accuracy.



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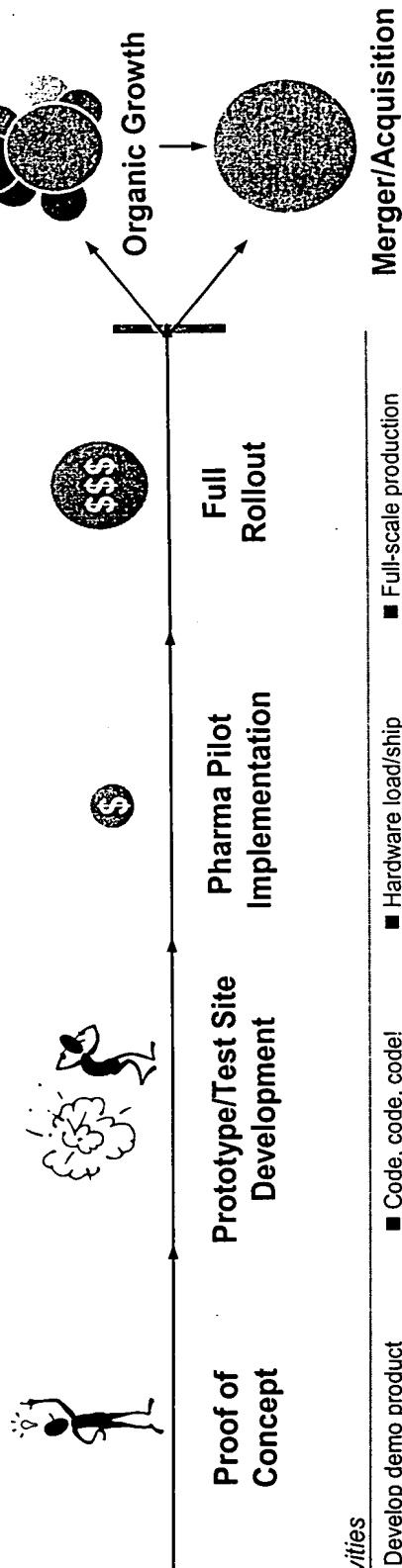


Winning the Landgrab: nCircle Advantages

Being first is everything. Why should the key players choose pQD first?

Physicians <ul style="list-style-type: none"> ■ An aide, not a burden ■ Free Forever ■ Tried and tested technology, ready now (no need for wireless) ■ No training -- straight out-of-box usage ■ Doesn't tell MD how to practice 	PBMs <ul style="list-style-type: none"> ■ Competitive relationship with Benchmark and Kleiner (Healthcon, DrugStore, PlanetRx) ■ Established relationship w/ nCircle ■ Interest in equity investment in nCircle ■ Desire to partner on Stage II apps
Pharma <ul style="list-style-type: none"> ■ Lower technology risk ■ Scalable -- no need to integrate w/ legacy systems ■ No perceived conflict of interest / privacy concerns ■ Reduced rep training / customer service 	Palm <ul style="list-style-type: none"> ■ Strong established relationship w/ nCircle ■ pQD consistent w/ Palm design philosophy ■ Plans to only OEM partner with one healthcare company

nCircle Business Plan Timeline



Activities

- | | | | |
|-------------------------------|---------------------------|----------------------------|--------------------------|
| ■ Develop demo product | ■ Code, code, code! | ■ Hardware load/ship | ■ Full-scale production |
| ■ Focus group with physicians | ■ Database development | ■ Rep training/feedback | ■ Marketing to pharma |
| ■ Core product definition | ■ OEM logistics | ■ Physician feedback | ■ Rep training |
| ■ Pharma/PBM/OEM contacts | ■ Pre-marketing to pharma | ■ Database development | ■ Content/DB maintenance |
| ■ Business plan development | | ■ Ver 2.0 software release | ■ Technical support (?) |

Goal Metrics

- | | | | |
|----------------------------|-----------------------------|---------------------------|--------------------------|
| ■ Mentor/Investor feedback | ■ Alpha by mid-April | ■ # lives/MDs in DB | ■ # of pharma customers |
| ■ Physician feedback | ■ Test site feedback | ■ % impact on MD sales | ■ Size of installed base |
| ■ Pharma feedback | ■ # formulary lives in data | ■ "Stickiness" of website | ■ Sales and profits |

Risks

- | | | | |
|-----------------------|--------------------------|-----------------------------|---------------------------|
| ■ Poor product design | ■ Not enough credibility | ■ Poor logistical execution | ■ Knockoffs / Loss of FMA |
| ■ Diffusion of idea | ■ Team development | ■ FDA restrictions | ■ Rep enthusiasm/support |
| ■ Speed/Loss of FMA | ■ Speed/Loss of FMA | ■ Rep compliance/interest | ■ Data integrity |

Competitive Advantage

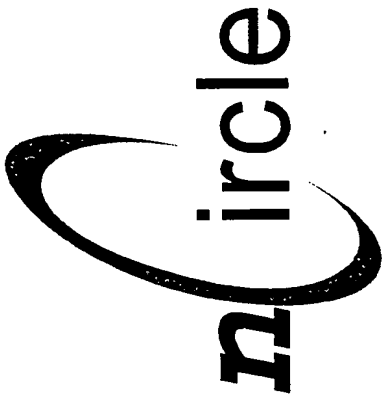
- | | | | |
|---------------|------------------------|--|-----------------------------|
| ■ Unique idea | ■ Proprietary database | ■ Proven product | ■ Installed base of top MDs |
| | ■ FMA in market | ■ FMA req'd by pharma to reach MDs first | ■ Authoritative database |
| | ■ Understand MD needs | | ■ Positive brand identity |



Next Steps

-
-
-
-
-

EXHIBIT D



Communications

Discussion with Parke-Davis

June 30, 1999

San Mateo, CA

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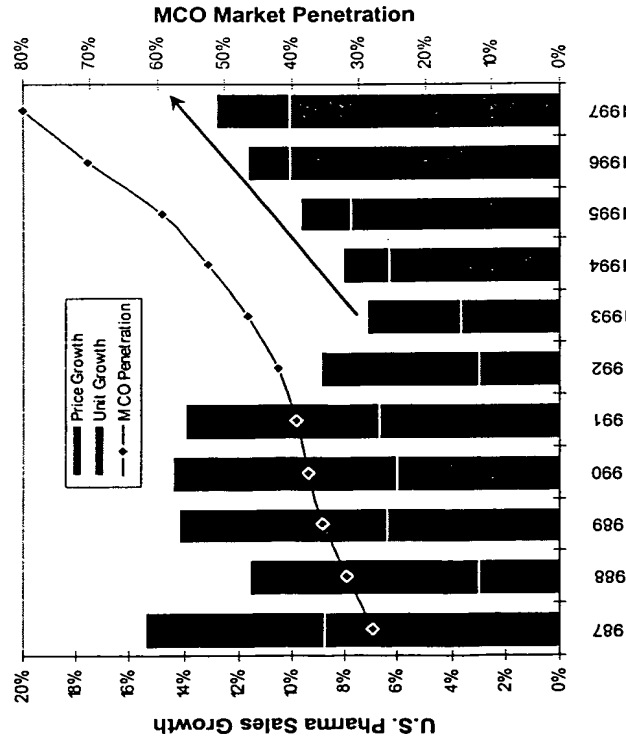
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Discussion Items

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Benefits for Parke-Davis	13
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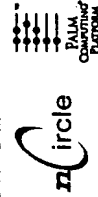
Key Trends in U.S. Pharmaceuticals

Managed Care Fuels Strong Growth ...



- Managed care has held down prices but increased utilization. The net result is strong (>10%) growth.
- Increased utilization coupled with favorable demographics and robust R&D pipelines makes pharmaceuticals an attractive growth market.

Source: IMS America and InterStudy.

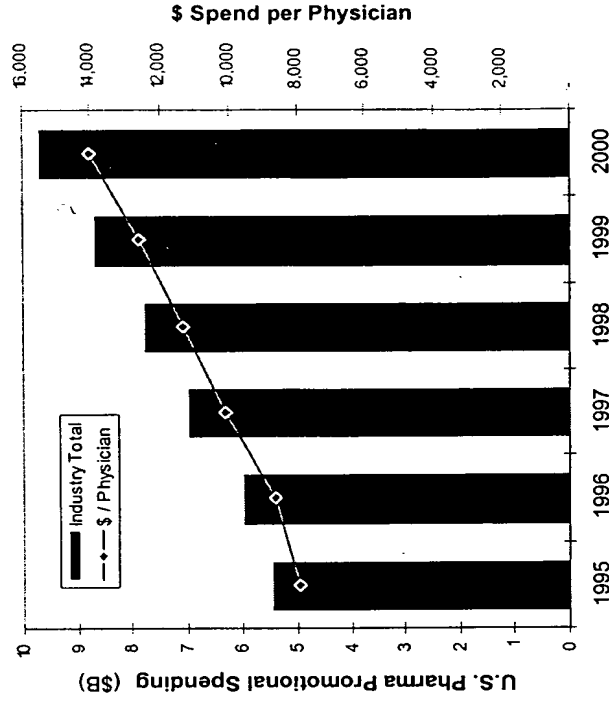


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Source: Dain Rauscher Wessles and Scott-Levin.



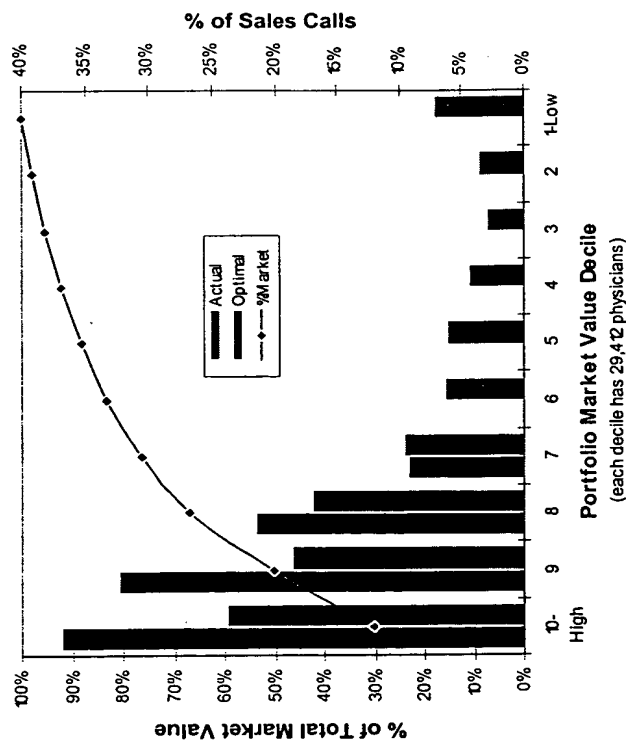
... which Fuels Marketing "Arms Race"



- Promotional spending to physicians is expected to grow more than 25% in the next 3 years.
- Subject to formulary availability, the physician remains the key decision maker.
- DTC advertising has grown in importance, but still amounts to <20% of total promotional spending.

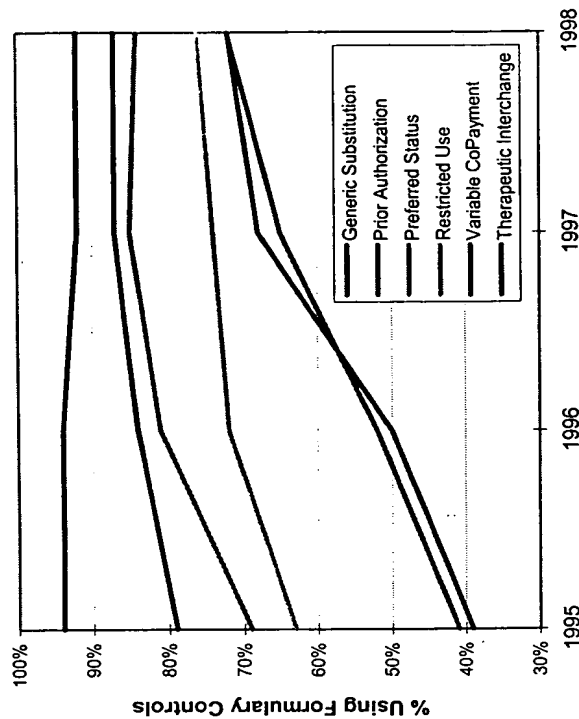
Two Increasingly Critical Barriers to Marketing Success

Access to Top Physicians



- Access to top prescribing physicians is increasingly limited by MCOs and growing competitive noise.
- The top 30,000 physicians represent over 30% of the combined market for Cardiovascular, Anti-biotics, and Anti-depressants.

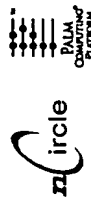
Formulary Position



- Not only are formularies becoming more prevalent, they are also gaining more control though measures like therapeutic substitution.
- Over 80% of HMOs currently maintain a closed or partly closed formulary.

Source: IMS script level data for combined CV, AB, and AD markets, 1995. Includes only physicians who have written at least 10 scripts in the past year. Call data based on actual major pharma company.

Source: Pharmacy Benefit Report, Trends and Forecasts, 1997 Edition, Novartis, East Hanover, N.J.



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pQD Helps Overcome the Access Barriers

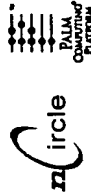
Access to Top Physicians

- Great "Door Opener" for tough to reach top physicians
- Add-on programs and support provide ongoing rep access
- Prominent brand name display with high viewing frequency
- Gather personal/practice data on top targeted physicians
- Deliver personalized electronic advertising / drive online traffic

Favorable Formulary Status

- Partner with payers to reinforce formularies and guidelines
- Improve physician productivity
- Develop technology platform for additional programs
- Build ongoing relationship with payers
- Gain real-time access to changes in formulary status

pQD is a novel promotional program designed to give pharmaceutical companies unparalleled access top physicians while simultaneously improving rapport with payers.



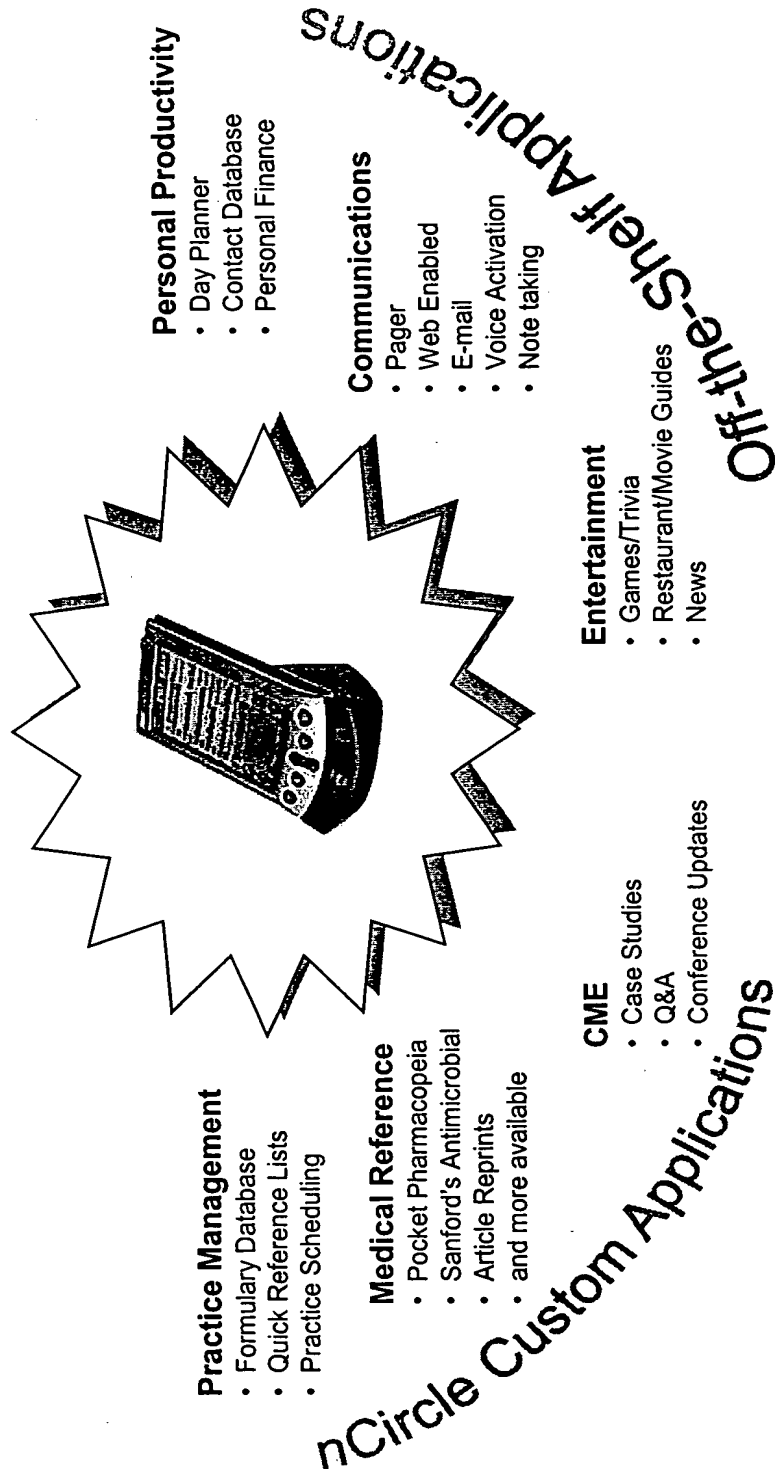
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What is pQD?

Physicians' Query Device (pQD)

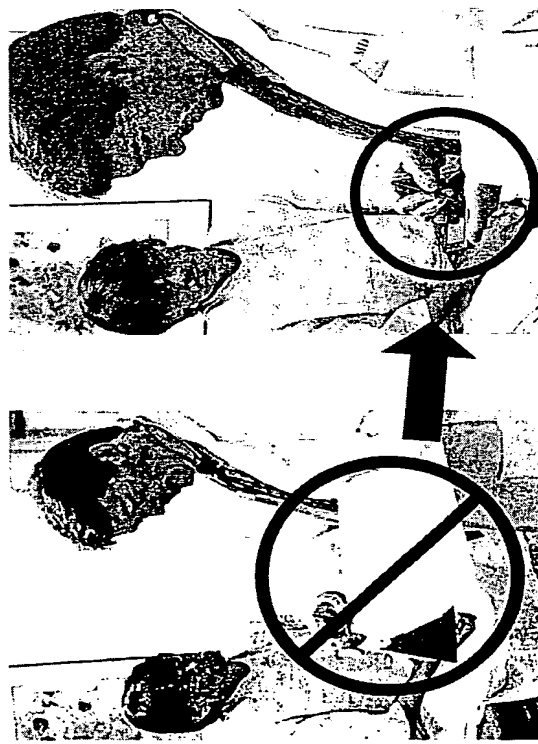
- pQD is promotional program which provides high value physicians with **Personal Digital Assistants (PDAs)** bundled with customized software, ongoing support, and online access.



pQD Phase I Functionality

pQD = Use Daily

*Just what the Doctor ordered.
Simple. Functional. Intuitive.*



Before pQD

Wade through dozens of binders to find the ever-changing insurance rules for a particular patient.

After pQD

*Quick and easy formulary and referral data in 3 clicks or less.
No need to leave the room and no need to worry about updates.*

Phase I Application Suite

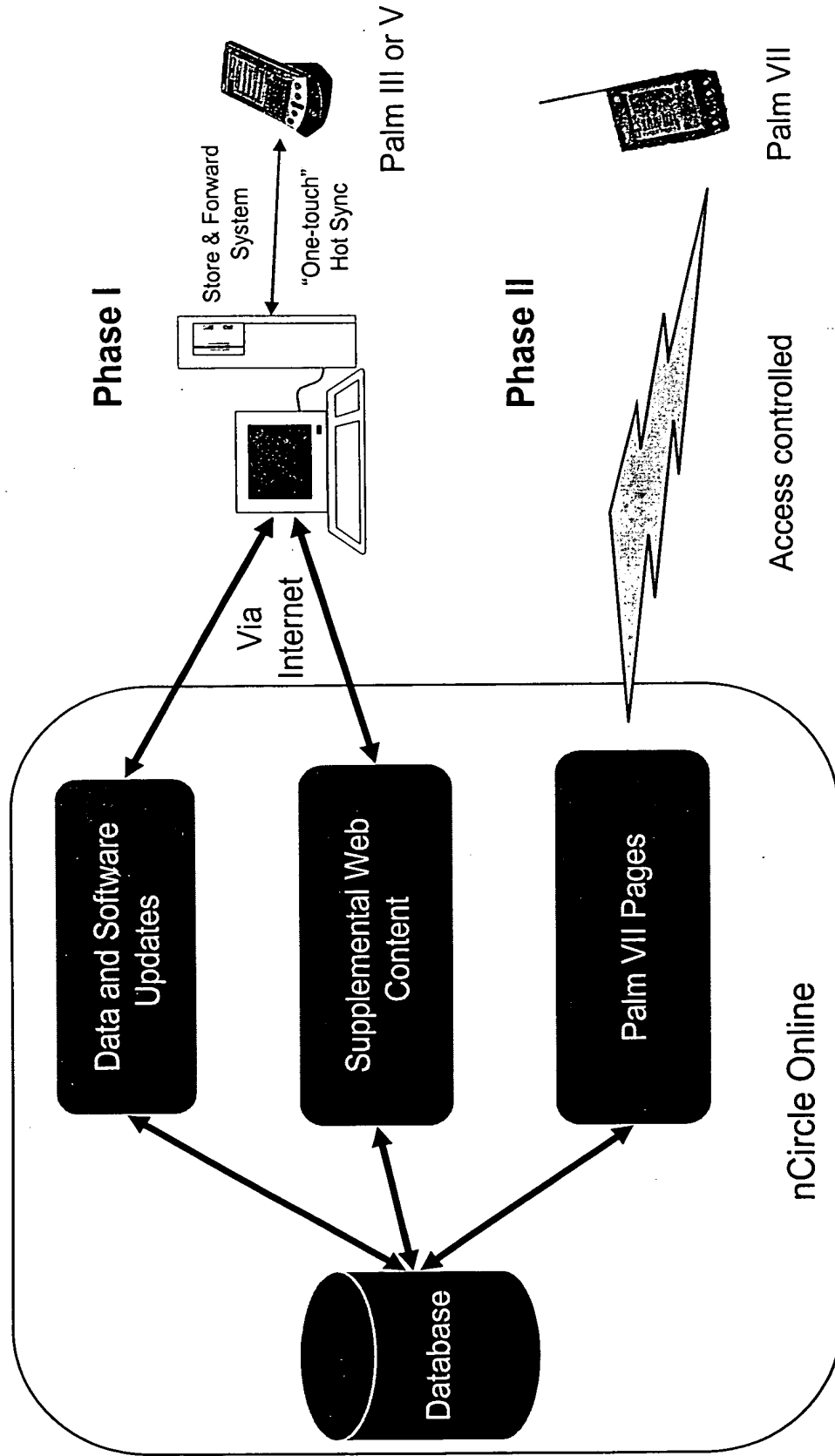
■ Core Reference Applications

- Formulary
- Dosing
- Co-Pay
- Pricing
- Adverse Reactions
- Drug-Drug Interactions
- Contra-Indications
- Metabolism/Excretion
- DEA Schedule
- Pregnancy and Lactation

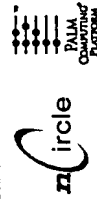
■ Personalized Messaging

Keep abreast of FDA Alerts, article reprints, and events with personalized messaging options.

Data Architecture Overview



Custom content generated
based on physician profile



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nCircle pQD Product Design Mandates

- Must operate the way physicians do -- mobile, intuitive, and fast
- Must fit the physician's workflow -- no security logins, no leaving the exam room, and no interruption of face-to-face patient interaction
- Limitations must be clearly recognized -- excessive technological ambition will lead to market rejection
 - No data entry required. Simple pointer navigation system.
 - One-touch updates from web-accessible PC
- Feature creep must be gradual -- physicians will not absorb radical changes to their practice patterns
- Physicians are reluctant to pay for anything -- must be free forever

What Physicians Are Saying About pQD

nCircle has conducted extensive one-on-one interviews and focus group prototype testing with over 50 practicing physicians to review our product design and concept. Here's what they're saying:

■ Eliminates Hassle

- "Formulary compliance is important. But it is also unachievable without help. I need something like this. It would save me and my patients a lot of hassles."

-Internist, Bethesda, MD

- "The insurance companies impose all kinds of rules on us. They make my life impossible. Anything that can help me deal with them even a little bit would be valuable."

-Internist, San Jose, CA

■ A Real Time-Saver

- "I don't have the time to look things up in the books and I don't like leaving the exam room to do so. In fact, I throw the books away. This I could use."

-Oncologist, Atlanta, GA

- "I spend a lot of time dealing with calls from pharmacies and patients when I write off-formulary. The problem is that looking every prescription up beforehand is even more time-consuming. Using this device could save me literally hours of time each month."

-Cardiologist, New York, NY

■ A Popular Platform

- "I normally don't meet with drug reps but I would be willing to schedule an appointment with one in exchange for a free Palm Pilot."

-Cardiologist, Atlanta, GA

- "I have a Palm but I would love a new one."

-Gastroenterologist, San Jose, CA

Physicians' Enthusiasm for the Palm Platform

Technology Acceptance

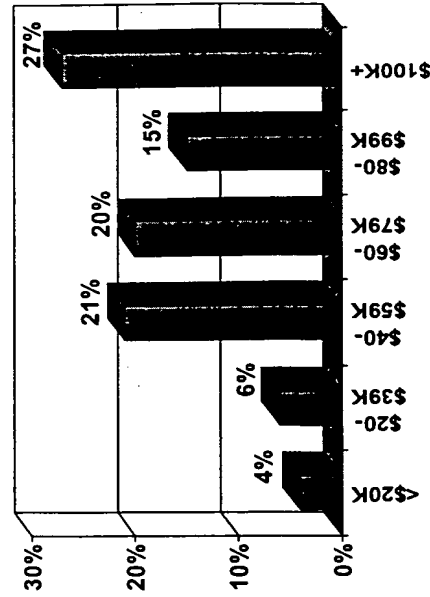
- The Palm Pilot is #1 consumer electronics launch in history (in terms of unit sales growth)
- Eighty-five percent of physicians have Internet access. Sixty-three percent use email daily.
- Several sites, like Medscape and Physician's On-Line already boast over 600,000 members.
- Pilot Palm programs already in place at Massachusetts General and other sites.

Current Palm Users

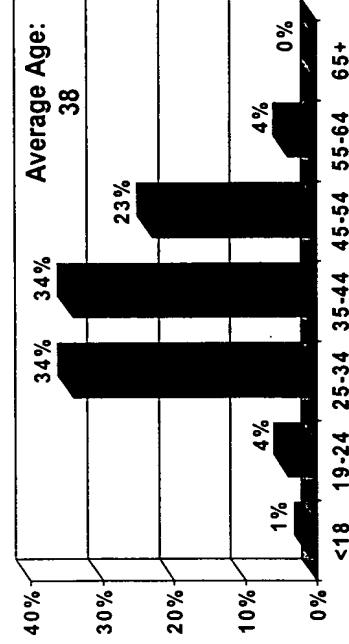
Industry	%
Technology	20.4
Healthcare	9.7
Financial Services	8.2
Communications	6.0

We estimate that roughly 100,000 physicians already own Palm organizers.

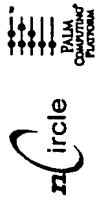
Palm Owner Income



Palm Owner Age



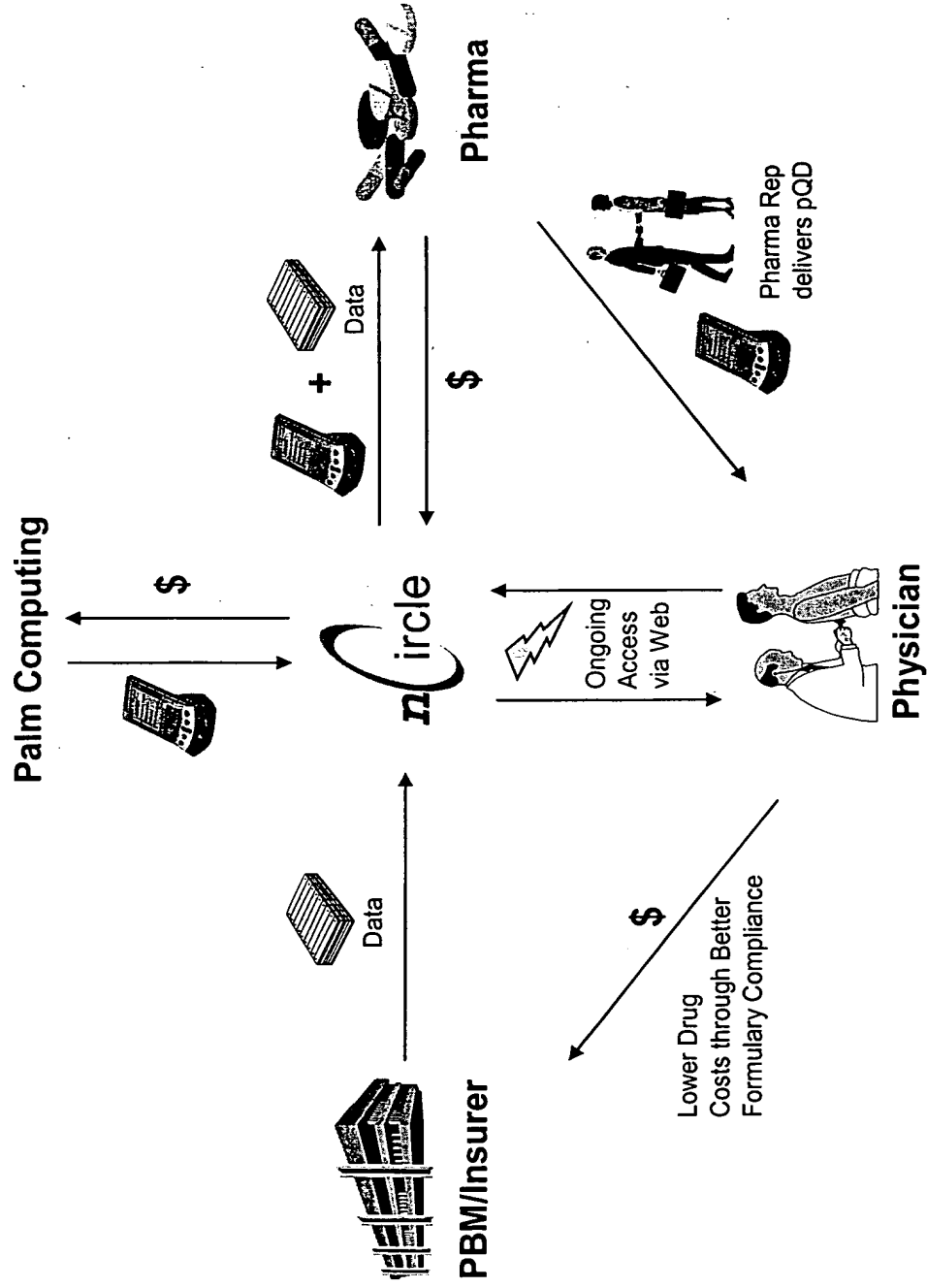
Source: Palm Pilot phone survey of 400 randomly selected users, July 1997 and updated March 1999; Medscape on-line newsletter, Healthcon survey, and other Internet sources.



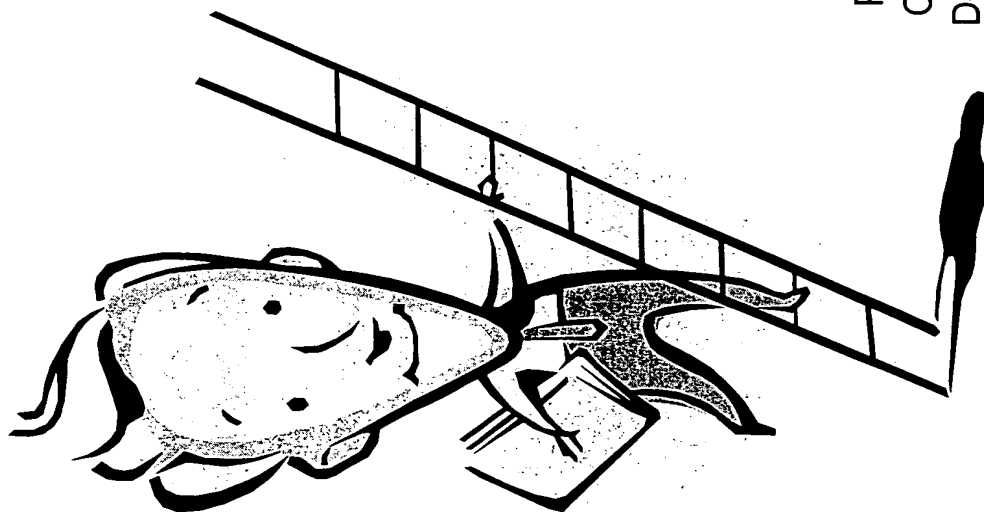
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Phase I: Business Model Overview



Phase II: Climbing the Technology Ladder



In-patient Order Entry

CME Credit

Reference Database Access

Simple Medical record

Pathology Reports

Lab Results

Prescription Order Entry

Instant Messaging

Messaging

ICD-9 and CPT-4 Codes

DEA Schedule

Metabolism/Excretion

Contraindications

Drug-drug Interactions

Adverse Reactions

Formulation

Price

Co-Pay

Dosing

Formulary

Phase II Apps

Phase I Apps

Key Benefits for Pharma

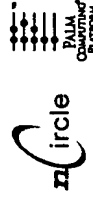
■ Establish Long-term Positive Relations with the Most Valuable Physicians

- *Door Opener:* Top physicians will ask to see reps
- *Quality Time:* Reps get quality face time coaching physicians
- *Profile Data:* Gather personal data on usage and user profiles
- *Brand Placement:* Average user turns on Palm 15 times daily¹
- *Follow-up Visits:* Rep beams new software and data to physician
- *Palmtop Messaging:* True one-to-one marketing via both Internet and pQD
- *Desktop Ads:* Leverage "SuperBowl spot" when HotSyncing
- *Add-ons:* Offer top physicians low-cost high-value accessories

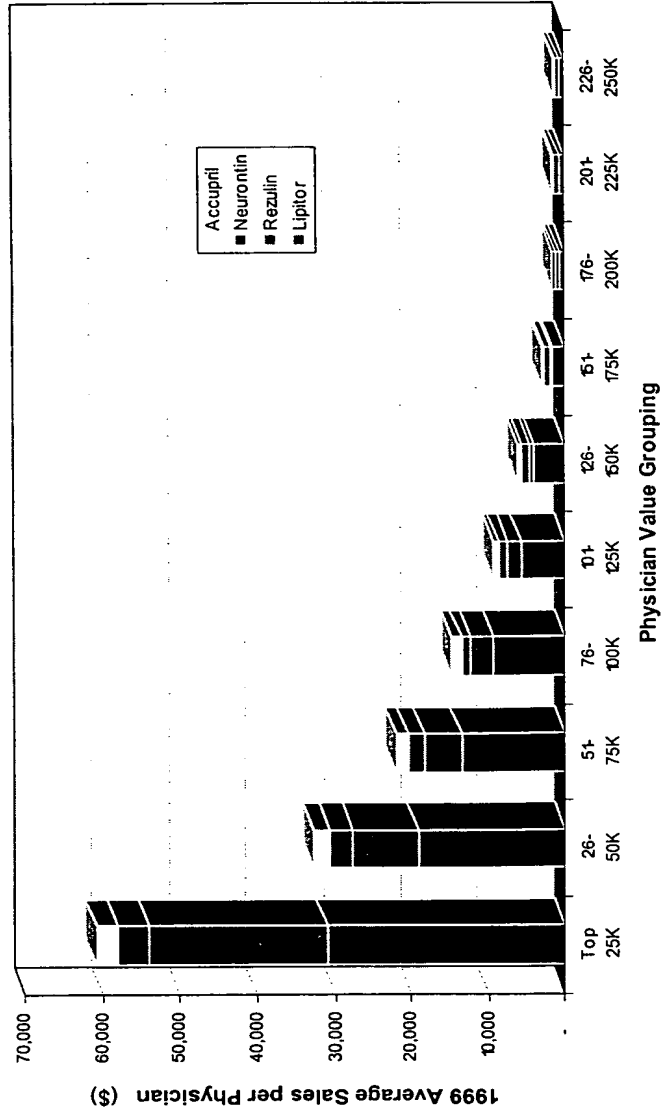
■ Harness Value of Formularies

- *Push-through:* Gain increased formulary access by offering value to payers
- *Pull-through:* Reinforce favorable formulary status

¹Source: Palm Pilot phone survey of users, March 1999.

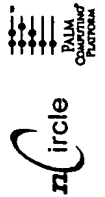


Estimated Future Value of Top Physicians



Based on current sales projections, the top 25,000 physicians will be worth nearly \$225,000 apiece in total Parke-Davis sales over the next 3 years.

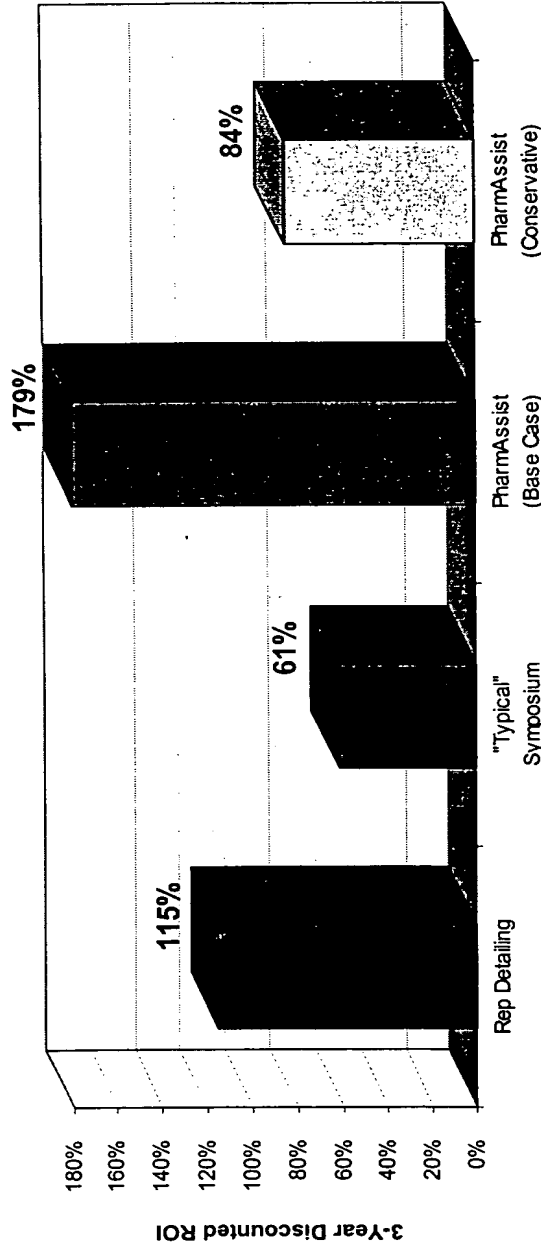
Notes: Based on dollarized IMS Market data as of 12/95. Includes only major promoted products (as listed) excluding Celexa and Ceftinir. Sales forecasts based on Morgan Stanley Dean Witter estimates as of 7/1/98. Supporting data tables provided in Appendix A.



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Comparing Promotional ROI



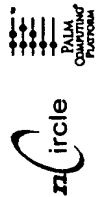
Promotional Activity	Average Cost/Physician	Estimated % Sales Impact ²	3-Yr Disc. Profit ³	3-Yr Disc. ROI ⁴	Other Considerations
Rep Detailing	\$ 1,250	10% 2000 1% 2001	\$ 1,441	115%	Difficult to "exit" investment (i.e., fire reps); should therefore expect a higher ROI hurdle rate.
"Typical" Symposium	\$ 800	3% 2000 1% 2001	\$ 491	61%	Normally limited to one product or indication. 3% growth in the overall top-line is optimistic.
PharmAssist (Base Case)	\$ 700	4% 2000 2% 2001	\$ 1,256	179%	Unlike other programs which are soon forgotten, PharmAssist becomes more valuable over time as physicians integrate its functionality into their daily routine. By considering only a 3-Yr horizon, we are conservative in estimating this value.
PharmAssist (Conservative)	\$ 700	3% 2000 1% 2001	\$ 591	84%	

¹Assumes an average of 10 calls per year at \$125 per call.

²Measures incremental sales per physician due to 1999 promotional activity only. Year 2000-2001 represent carryover sales.

³Based on an "average" physician with 1999 sales value of \$25,000. Assumes an 80% incremental profit margin and 12% discount rate for future cash flows.

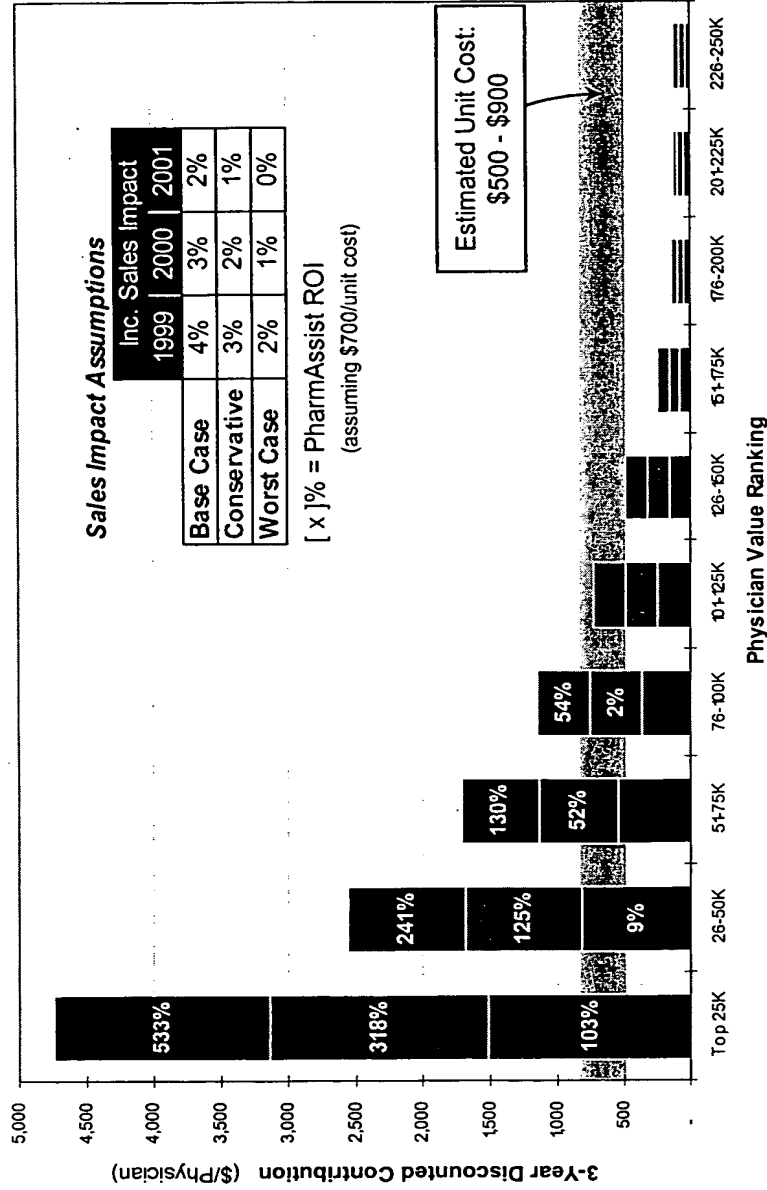
⁴ROI measures 3-Yr Disc Profit over upfront cost.



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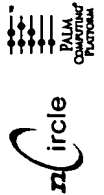


pQD ROI by Physician Value Ranking



Even with conservative assumptions, PharmAssist generates Parke-Davis profits of at least \$1,000 per unit for the top 50,000+ physicians.

Notes: Contribution represents the 3-Yr incremental profit derived from PharmAssist program incremental sales. Assumes an 80% incremental profit margin on sales and a 12% discount rate on future year profits. Includes only major promoted products (as listed on previous page) excluding Celexa and Celdinir. Sales forecasts are based on MorganStanley Dean Witter estimates as of 7/12/98. Supporting data tables provided in Appendix A.



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nCircle Key Developments

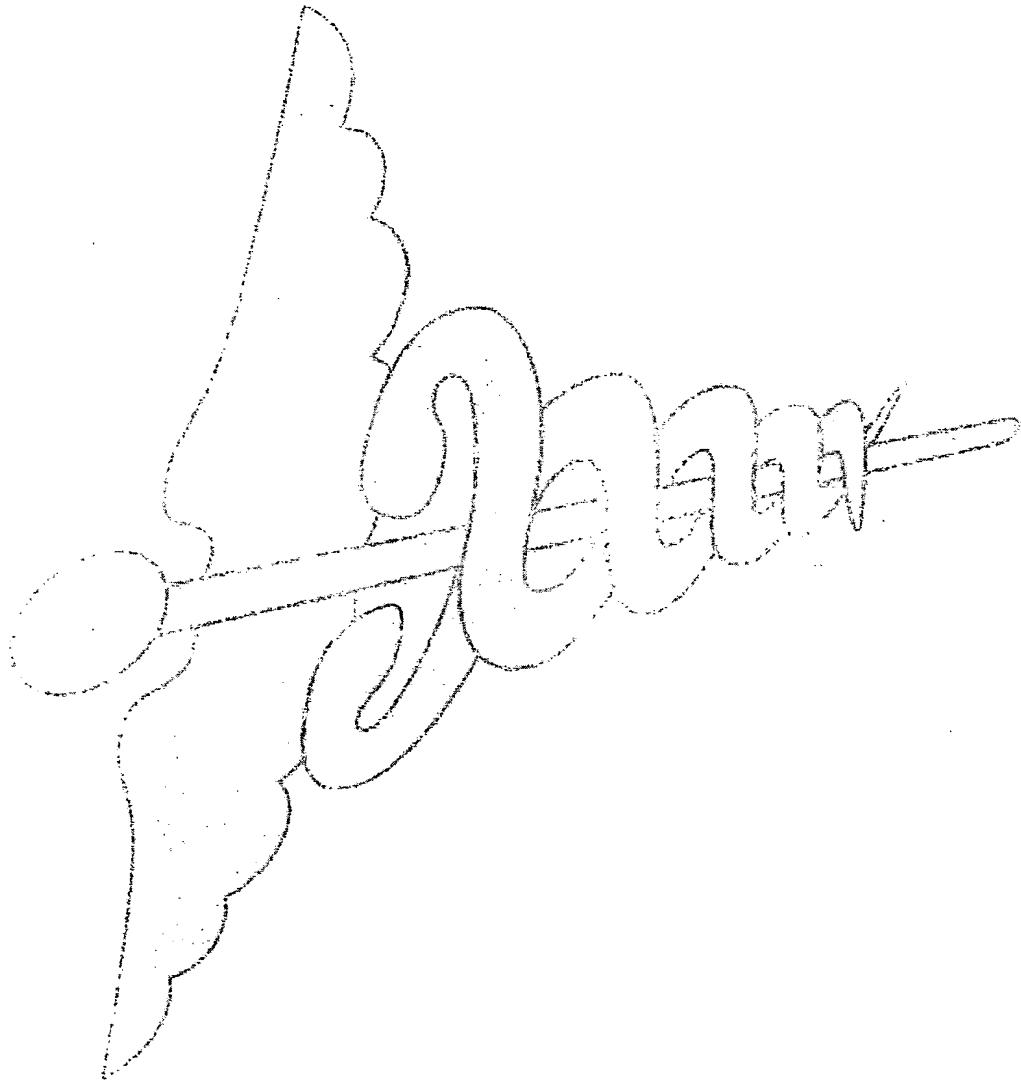
Financing and Test Sites

■ Financing

- Received offers from 6 prominent venture capital firms
- Agreed to terms on first round \$4.5 million equity financing
- Cash to arrived from lead investor last week
- Syndicate selection still undetermined
 - choices narrowed to include former Healthcon CEO and Abaton backer

■ Test Sites

- Completed successful 4 week pilot at Stanford Student Health Services
- Brown & Toland in San Francisco
 - nationally recognized 1,250 MD IPA affiliated with UCSF
 - formulary data processed; 10 MD study to begin next week
- Partners Community Health in Boston
 - prestigious 1,000 MD IPA affiliated with Harvard and Brigham
 - network recognized nationally as leaders in HC IT systems management
 - demand for formulary data being driven by capitation
 - some data received; 9 MDs identified; expect to launch in 2 weeks



nCircle Key Developments

Partnerships with PBMs and Palm

■ PBMs Content Partnerships

- Relationships established with top 8 players representing 92% of market
- Third meeting with Express-Scripts (#3) last week.
- Received preliminary data from Caremark (#4)
- Agreement with Advanced Paradigm (#5) -- currently reviewing contract
- Merck-Medco (#1) and NPA (#6) meetings yesterday
- Meeting with PCS (#2) on July 6

■ Partnership with Palm

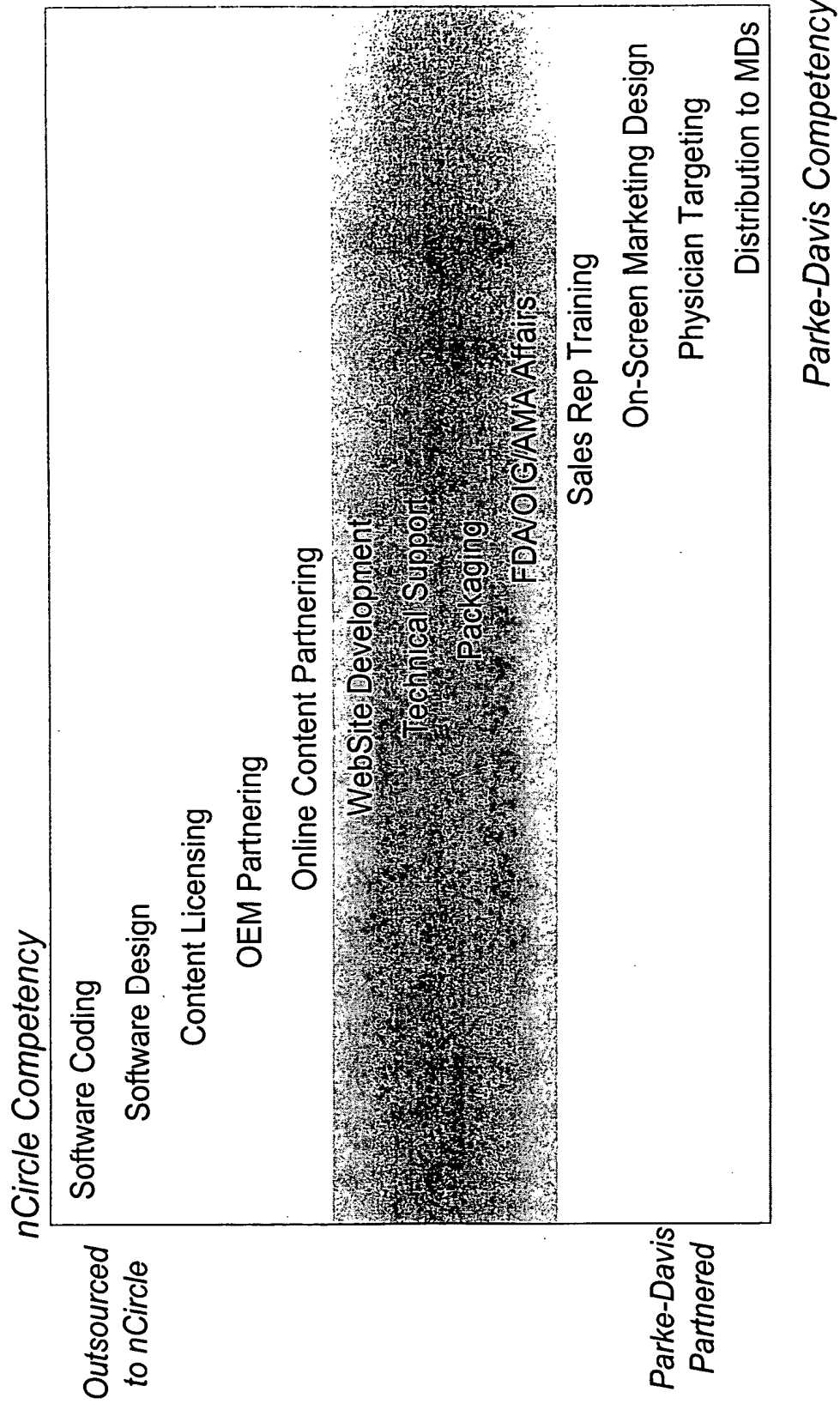
- Palm is the undisputed leader in this market with over 90% sell-through share
- Palm and nCircle have signed letter of intent to OEM partner
- Palm has backed nCircle both financially and with product and sales support
- Palm does not currently plan to partner with any other player in the HC vertical
- Palm OEM partnering will likely be required for Pharma distribution
 - Customization is necessary for FDA classification as Class I medical device to avoid classification as "enduring gift" for physicians

Summary of nCircle Advantages

Benefits for Key Players

Physicians <ul style="list-style-type: none"> ■ An aide, not a burden ■ Free Forever ■ Tried and tested technology, ready now (no need for wireless) ■ No training -- straight out-of-box usage ■ Doesn't tell MD how to practice 	PBMs <ul style="list-style-type: none"> ■ Other competitors represents direct competitive threat to PBM core business ■ Benchmark and Kleiner are direct competitors in PBM expansion businesses (DrugStore, PlanetRx) ■ Lower system integration costs / risk of data exposure
Pharma <ul style="list-style-type: none"> ■ Low technology risk ■ Scalable -- no need to integrate w/ legacy systems ■ No perceived conflict of interest / privacy concerns ■ Reduced rep training / customer service 	Palm <ul style="list-style-type: none"> ■ pQD consistent w/ Palm design philosophy ■ pQD allows broader reach more quickly ■ Plans to partner with only one healthcare vertical provider

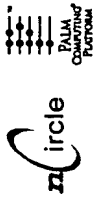
Partnering with nCircle



Next Steps

-
-
-
-
-

Appendix A: nCircle Team Biographies



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Introductions



nCircle Communications, Inc.

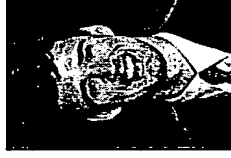
Mission: To be the leading provider of mobile computing systems for physicians

Co-Founders



Richard Fiedotin, MD

- HBO & Co. - Clinical Product Consultant
- American Medical Forms - Founder (clients include Merck, Pfizer and WLA)
- Morgan Stanley - Equity Research.
- MBA, Stanford



Jeff Tangney

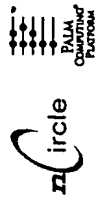
- Goldman Sachs - Healthcare I-Banking
- ZS Associates Consulting - Manager
- Worked with WLA, Pfizer, Searle, BMS, & other pharma in total of 16 countries
- MBA, Stanford

Core Team

Thomas Lee, MD
Vida Tigrani, MD
Dan Zucker, Ph.D.
Shubhasheesh Anand
Sachin Naik
Rachel Pyrdol
Simon Mawby

Board of Advisors

Charles Holloway, Ph.D.
Joel Hyatt
Joshua Rassen, MD
Gregg Rotenberg



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nCircle Highlights

Board of Advisors

- **Josh Rassen, MD**
 - Co-founder of Brown & Toland
 - Executive Committee and Chief of IM, California Pacific Medical Center
 - President, San Francisco Medical Society
 - Harvard BA *cum laude*, 1968. Washington University Medical School, 1973.
- **Joel Hyatt**
 - Lecturer and visiting scholar, Stanford University and Hoover Institute
 - Founder, Chairman, and CEO of Hyatt Legal Plans and Hyatt Legal Services
 - Listed in Business Week alongside Bill Gates, Steven Jobs, and David Packard as one of the "Top 50 Business Leaders in the US"
 - Dartmouth AB, 1972. Yale Law JD, 1976
- **Charles Holloway, Ph.D.**
 - Kleiner Perkins Professor of Management, Stanford Graduate School of Business
 - Associate Dean of Academic Affairs, Stanford Graduate School of Business
 - Co-director, Stanford Program in Entrepreneurship
 - Serves on Board of Directors of PCMail, Kana Communications, CMC Industries, and Axicon
- **Gregg Rotenberg**
 - President of yourPharmacy.com
 - Kellogg MBA, 1994. Ranked first in class.

nCircle Highlights

Management Team

- Dan Zucker, Ph.D. -- VP, Engineering
 - Stanford BS, MS, and Ph.D. in EE / CS. Graduated in top 2% of class. Eight years experience in engineering and project management at IBM, AMD, and TriStrata. Founder of "What's On!" Palm conduit company.
- Shubhasheesh Anand -- Director, Palm Applications
 - Indian Institute of Technology BSCS and BSEE, Stanford MSCS. Five years of experience as a software engineer and project manager at IBM and Silicon Graphics.
- Sachin Naik -- Manager, Database Applications
 - Indian Institute of Technology BSEE. Five years of experience as a software engineer at IBM and Tandem Computers.
- Simon Mawby -- Manager, Website Development
 - Oxford MS, Stanford MBA. Three years as consultant at ZS Associates. Two years as manager at NDC / IMS Source Informatics.
- Thomas H. Lee, MD -- Director, Physician Marketing
 - Yale BA, Stanford MBA. University of Washington MD. Alpha Omega Alpha Honor Society. Residency at Brigham and Women's. Deloitte & Touche Consulting.
- Vida Tigrani, MD -- Manager, Physician Marketing
 - Stanford BSIE, UCSF MD. Hospital quality management at Stanford University Hospital. Research includes data mining and statistics in medicine.
- Rachel Pyrdol -- Manager, Product Design
 - Northeastern BSME, Stanford MSME. Eight years of experience as mechanical engineer and product manager. Most recently worked at IDEO, the firm which designed the Palm V.

Appendix B: Formulary Management Today



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What is a Formulary?

- A list of drugs your insurer will pay for.
- Imposed by insurers to cut costs.
- Determined by clinical efficacy and ongoing price negotiations with pharmaceutical companies.

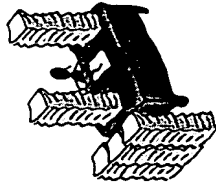
Sample Drug Formulary List for Top California Insurers:

ACE Inhibitor Drugs -- Formulary Status for Top California Plans									
Generic Name	Brand Name	Aetna	Blue Shield	California			Kaiser		
				CIGNA	Health Net	North	Lifeguard	PacificCare	United
Benazepril	Lotensin	ON	ON	ON	ON	off	ON	ON	ON
Captopril	Capoten	Gen	Gen	Gen	ON	Gen	ON	Gen	Gen
Enalapril Maleate	Vasotec	off	off	off	off	off	off	PA	ON
Fosinopril	Monopril	ON	ON	ON	ON	off	ON	PA	ON
Lisinopril	Prinivil	ON	ON	ON	off	off	off	off	ON
Lisinopril	Zestril	off	off	off	ON	ON	ON	ON	off
Lisinopril/HCTZ	Prinzide	off	off	off	off	off	ON	ON	off
Losartan	Cozaar	ON	off	PA	off	off	ON	PA	ON
Quinapril	Accupril	ON	off	ON	ON	off	off	PA	ON
Ramipril	Altace	ON	off	off	off	off	off	PA	off

Legend: "ON" = on formulary (paid for), "off" = off formulary (not paid for), "Gen" = generic only, and "PA" = Prior Authorization req'd for payment.

Formulary Management Today

How is formulary information communicated?



Each insurer delivers formulary books or binders to physicians quarterly or semi-annually



Insurers employ sales forces to remind physicians of formulary restrictions and changes

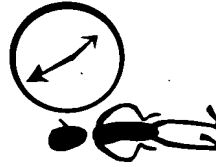


Doctors must either memorize formulary lists or refer to binders for each prescription written

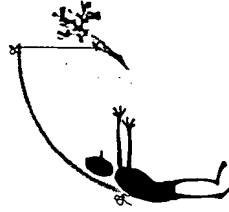
What happens when a physician doesn't comply?



Pharmacist detects "off-formulary" prescription and calls physician for therapeutic substitution



Patient and pharmacist wait while nurse delivers message to physician, physicians consults patient records, and calls back with alternative drug



"Risk pooling" arrangements with insurers financially punish physicians for writing off-formulary prescriptions

A Growing Problem for Physicians

- The number of contracted plans is proliferating
 - Alphabet soup of plans: HMO / PPO / POS / FFS / IPA
 - The average physician contracts with 11 insurance plans
 - Top prescribing physicians typically deal with upwards of 30 plans
- Formularies becoming increasingly restrictive
- Formulary management growing more aggressive

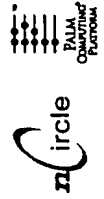
Despite financial disincentives, the hassle of pharmacist callbacks, and ongoing marketing and education efforts, roughly **20% of all prescriptions today are still written off formulary.**

Appendix C: Backup ROI Data

Economic Model: Sales Forecasts

Product	Sales Forecasts (\$MM)		
	1999	2000	2001
Lipitor	2,275	3,071	3,778
Rezulin	1,114	1,337	1,537
Neurontin	363	392	411
Accupril	245	257	270
Total	3,997	5,057	5,996

Notes: Sales forecasts are based on MorganStanley Dean Witter estimates as of 7/12/98.



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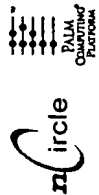
Economic Model: Value of Top Physicians

Product	Physician Ranking Based on Value to Parke-Davis ¹										Total (A-J)
	A	B	C	D	E	F	G	H	I	J	
Lipitor	34%	21%	15%	10%	6%	4%	2%	1%	1%	1%	94%
Rezulin	51%	19%	11%	7%	4%	1%	1%	1%	1%	1%	97%
Neurontin	26%	19%	15%	9%	8%	8%	5%	2%	1%	0%	93%
Accupril	29%	21%	16%	12%	7%	5%	3%	1%	1%	1%	96%
Total³	38%	20%	14%	9%	6%	4%	2%	1%	1%	1%	95%

¹Each grouping has 24,719 physicians.

Roughly 25,000 physicians account for over 35% of Parke-Davis's total dollar business. The top 150,000 represent over 90%.

¹Based on dollarized IMS Market data as of 12/95. Includes only major promoted products (as listed) excluding Celexa and Ceftinir.
²Assumes that 30% of sales are credited to Parke-Davis.
³Totals based on dollarized values and therefore are most affected by the largest products.



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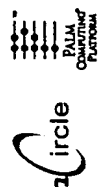


Economic Model: Future Value of Physicians

Product	1999 Average \$ Value per Physician											
	Top 25K	26-50K	51-75K	76-100K	101-125K	126-150K	151-175K	176-200K	201-225K	226-250K		
Lipitor	31,053	19,080	13,468	9,334	5,752	4,047	1,614	710	769	736		
Rezulin	23,010	8,694	4,809	2,950	1,827	470	398	545	609	588		
Neurontin	3,836	2,849	2,146	1,260	1,111	1,191	746	348	164	62		
Accupril	2,900	2,053	1,561	1,180	724	488	313	86	91	92		
1999	60,799	32,675	21,985	14,724	9,413	6,196	3,070	1,691	1,633	1,478		
2000	76,719	41,420	27,908	18,738	11,915	7,825	3,790	2,080	2,042	1,863		
2001	90,855	49,168	33,152	22,297	14,127	9,255	4,418	2,422	2,403	2,205		
3-Yr Total	228,373	123,263	83,045	55,759	35,454	23,276	11,278	6,193	6,078	5,546		

Based on current sales projections, the top 25,000 Physicians will be worth over \$225,000 apiece in Parke-Davis sales over the next 3 years.

Notes: Includes only major promoted products (as listed) excluding Celexa and Cefdinir. Conservatively assumes that 30% of Lipitor sales and profits are credited to Parke-Davis. Sales forecasts are based on MorganStanley Dean Witter estimates as of 7/12/98.



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Economic Model: pQD ROI

PharmAssist Return on Investment per Physician (assuming 3% sales impact in 1999, 2% in 2000, and 1% in 2001)

	Top 25K	26-50K	51-75K	76-100K	101-125K	126-150K	151-175K	176-200K	201-225K	226-250K
1999 Inc. Sales	1,824	980	660	442	282	186	92	51	49	44
2000 Inc. Sales	1,534	828	558	375	238	156	76	42	41	37
2001 Inc. Sales	909	492	332	223	141	93	44	24	24	22
3-Yr Inc. Sales	4,267	2,300	1,549	1,039	662	435	212	117	114	104
1-Yr Contribution	1,459	784	528	353	226	149	74	41	39	35
3-Yr Disc. Cont.	3,135	1,689	1,138	763	486	320	156	86	84	76
Implied 3-Yr ROI	382%	160%	75%	17%	-25%	-51%	-76%	-87%	-87%	-88%
Breakeven 3-Yr Impact	0.4%	0.7%	1.0%	1.5%	2.3%	3.5%	7.2%	13.1%	13.4%	14.6%

Even with conservative assumptions, PharmAssist generates a ROI of greater than 150% for the top 50,000+ physicians.

Notes: Contribution represents the 3-Yr incremental profit derived from PharmAssist program incremental sales. Assumes an 80% incremental profit margin on sales and a 12% discount rate on future year profits. Includes only major promoted products (as listed on previous page) excluding Celera and Cefdinir. Sales forecasts are based on MorganStanley Dean Witter estimates as of 7/12/98. Supporting data tables provided in Appendix A.

EXHIBIT E

BlueLark Interactive, LLC

Invoice**BLUELARK** **INTERACTIVE**530 Showers Dr.
Suite 7, PMB303
Mountain View, CA 94040-1457

DATE	INVOICE #
7/30/1999	3

BILL TOnCircle
c/o Simon Mawby
smawby@ncircle.com

P.O. NUMBER	TERMS	REP	BILLING PERIOD		PROJECT
	Due on receipt		7/1 - 7/14/99		
HOURS	ITEM CODE	DESCRIPTION	PRICE EACH	SERVICED	AMOUNT
38	NCS1	Create first Version of Clinical Data Screen	45.00	7/5/1999	1,710.00
5	NCS1	PDB Generation using Perl Script and Java Program	45.00	7/7/1999	225.00
3	NCS1	Perl Script Modification - changing the case	45.00	7/14/1999	135.00
10	NCS1	Bug Hunting	45.00	7/14/1999	450.00
			Total		\$2,520.00

ok to pay
per. [unclear]

EXHIBIT F

BlueLark Interactive, LLC

Invoice~~BlueLark~~

Interactive

530 Showers Dr.
Suite 7, PMB303
Mountain View, CA 94040-1457

DATE	INVOICE #
8/1/1999	5

BILL TO

nCircle
c/o Simon Mawby
smawby@ncircle.com

P.O. NUMBER	TERMS	REP	BILLING PERIOD		PROJECT
	Due on receipt		7/15- 7/31/99		
HOURS	ITEM CODE	DESCRIPTION	PRICE EACH	SERVICED	AMOUNT
2	NCS2		60.00	7/15/1999	120.00
5	NCS2	Perl Script- "On Formulary" for United Healthcare	60.00	7/15/1999	300.00
4	NCI2	nCircle Interviewing	60.00	7/16/1999	240.00
3	NCS2	nCircle Software Development	60.00	7/17/1999	180.00
6.25	NCI2	nCircle Interviewing	60.00	7/22/1999	375.00
1	NCS2	Adding Formulary Screens	60.00	7/22/1999	60.00
7.5	NCS2	Adding Formulary Screens	60.00	7/24/1999	450.00
1	NCI2	nCircle Interviewing	60.00	7/24/1999	60.00
6	NCS2	added memo screens for PD and PF	60.00	7/25/1999	360.00
7.5	NCI2	Interviewing	60.00	7/25/1999	450.00
5	NCS2	add formulary screens	60.00	7/25/1999	300.00
1.5	NCS2	IM Demo - edit Pfizer vs. PD	60.00	7/26/1999	90.00
4.5	NCS2	Bug Hunting	60.00	7/26/1999	270.00
2	NCS2	Bug Hunting	60.00	7/27/1999	120.00
12.5	NCS2	Rewriting ColView	60.00	7/27/1999	750.00
5	NCS2	Polish PDB Generation App	60.00	7/27/1999	300.00
7	NCS2	ColView, cont'd	60.00	7/28/1999	420.00
2	NCS2	Polish PDB Generation App	60.00	7/29/1999	120.00
1.5	NCS2	Researching Software	60.00	7/29/1999	90.00
7.5	NCS2	Design Meeting	60.00	7/30/1999	450.00
			Total		\$5,505.00

ok to pay
8/1/99

EXHIBIT G

7/19/99

Conference call w/ Chris Robbins, PBM Consultant
10 yr hx in industry fees. \$75-150/hr.

CEO of Proserve, BCBS PBM sold to Wellpoint
Columbia HCA PBM - ran sales + mktg.

Not all BC plans use same PBMs

Employer groups generally accept ^{PBM's} standard or national formulary
HMOs customize formulary more often

Preferred drugs are generally contracted in bundles (H2 antagonists, etc.)
This makes it harder for HMO to customize formulary

75% of covered lines are covered by national formulary
The other 25% has a unique formulary for each customer
Differences are usually based at level of individual drugs,
not therapeutic class. HMOs make such decisions b/c
P&T ego + price. They assert there is a clinical difference
+ then go w/ cheapest

P&T - Pharmacy Therapeutics

4-5 therapeutic categories comprise 45% of costs

MD has 10-20 plans each. Increasingly entire practice joins IPA & IPA
contracts w/ payers so all docs in group contract w/ same payers.

70 PBMs on mkt

300 MCOs (inc. HMOs) - decreasing b/c consolidation

800-900 generic drugs

3000 drugs

MDs are increasingly taking on Rx benefit risk

Generally, if you have ~~payer~~ payer-level formulary info, that will be adequate 75%+ of the time

7/19/99

Team Mtg to discuss data structure

3 sources of data

1. Clinical context
2. Formularies - from PBMs
3. MD data - from pharma, website

Data from PBMs comes in 2 files

- (1) NDC Plan code < NDC codes
- (2) Plan Code plan name

SAS

NDC codes formulary 1 formulary 2

There are 37,000 NDC Codes

PCS deems to have 10,000 plans

Clinical info does not need to have NDC codes

EXHIBIT H

11-20-99

Mtg. w/ Michael Glenn, patent atty

2 criteria w/ make something patentable
novel + nonobvious

Formulary database might be novel (must check Newton)

W. CE Patents

Palm Computer Magazine

utility

patent app \$8-10K + 400

" search \$500 + 200

legal

database + patenting

Provisional patent app - \$1000 + 65

placeholder for patent app - serial #, date
less expensive

you can file a final patent w/in 1 yr.

send description + source code

going public w/o patent \Rightarrow loss of foreign rights

takes 2-3 yrs for patent to be approved

competitors can use your tech until patent is approved
patent last 20 yrs

\$1000 to prepare

Reasons for getting patent

1. makes investors happy
2. make partners happy + prevent them from competing
3. prevents co. from paying royalties to other co.s w/ pat
(defensive cross licensing)
4. maintain dominant position

EXHIBIT I

formularies

7/26

Josh Passen's office

~~Proxmed~~ Proxmed - print out

Walgreens doesn't use it b/c

(1) System is down

(2) takes too long - easier to fax than key it in

(3) even if Walgreens keeps in order, they still lock out results

Only used for refills when pt calls pharmacy & refills are sent.

It is not used for NRT or for refills called into MD's office.

Not used for any other purpose.

Sutter Health-

Medical Director Gordon Hunt based in Sacramento also goes to Benet

JE thinks he will jump at this b/c ability to transmit messages

Josh thinks Bat might be too dysfunctional

□ Must get Josh contract

Avandia - 2nd generation oral hypoglycemic (like Rezulin or Trioglizide)

We need to talk to Lisa _____, Pharm-D from Atlanta

JE put in call to Patty at Walgreens

JE put in call to Gordon Hunt at Sutter

Get contract

Suggestions for app: caloric counter, herbal med info

Get Josh puzzle as gift.

Little Blue book - (Physician's Telephone Directory, Inc.) - is a good source for referrals

7/21/99

Think of technical risks: use fewer reps, pick smaller # of formularies

Issues:

how many reps + doctors initially
should device have co logo on head on front

WL is thinking in terms of total capped costs.
They will be less sensitive to price. keeping cost
high reduces # units + orders minimizes technology
challenge.

- Simon Buckingham - ran Positor for Roche
Western Regional Sales Mgr for some big pharma
Rod knows him. Get in touch w/him.

Model out revenue from putting pharma logo on
front vs. distributing it w/o logo.

build in customer support clause into contract to cap the
risk to nCircle of supporting customer

Come up w/our ideal + guess pharma ideal + try to
create analog + positive compromise

Pharma will not mind sponsoring instead of buying hardware

Value to pharma is detail visit - putting logo on front
is less valuable

★ epocrates epocratic oath

Tsourounis

7-26 Meeting w/ Candy Tsourounis + Gary McCart
Things to consider

Pharm D residents do data entry on free time
Candy + Gary do QC/editing - 1 month contract
long term relationship w/ Candy + Gary for data updates
Academic work for them to publish
Full time PharmD to manage process
Gary + Candy on Board of Advisors

They think we can pursue data from other sources
b/c the info itself is in public domain

We should set top 200 drugs (RxList.com) as goal
by mid September

EXHIBIT J

12

7/124

mtg w/ P-D

Contract must hold P-D harmless

Fundings commented "ARP" pot a "AMP" pot

They'll have some from:

1/5

Regulatory

Bob

brand team

7/130

Pfizer

Jack Krosney

Steve Labkoff ~~aka~~ - knows Ted Stott. Her Daisy Bates

EXHIBIT K

Application Design Document for eCopeia 2.0
ReadOnly-2-Rev-1-design.txt

Application Design Document for eCopeia 2.0
ReadOnly-2-Rev-2-design.txt

Primary classes:

- Scrollable View
 - List view
 - Free Flowing Text View
- Preference Data (Globals)
- Transient Data (Globals)
- Database Access
 - Database Fast List Access
 - String Lookup / Decoding

List Screen

Drug Detail Screen

- AdditionalInfo Screen
- Adverse Reactions Screen
- Contraindications Screen
- Costs Screen
- Dosing Screen
- Interactions Screen
- Memo Pad Screen

About Screen

Preferences Screen

Early Rx Code Submissions.txt
The following is a sampling from the first 2000 changes submitted to the ePocrates source code control system, which show the beginnings of the ePocrates Rx product development - the product at that time had the code name 'eCopeia'. The submitted changes cover the period 6-AUG-1999 to 21-SEP-1999.

=====

Change 1 by jkleid@vss on 1999/08/06 16:41:00
Design document added

Affected files ...

//depot/main/palm/eCopeia/design.txt#1 add

=====

Change 2 by jkleid@vss on 1999/08/06 21:39:00
Class design added

Affected files ...

//depot/main/palm/eCopeia/design.txt#2 edit

=====

Change 3 by jkleid@vss on 1999/08/06 21:47:00
Added

Affected files ...

//depot/main/palm/eCopeia/src/Main.cpp#1 add

=====

Change 4 by jkleid@vss on 1999/08/08 21:15:00
rsrc fix

Affected files ...

//depot/main/palm/eCopeia/src/Main.cpp#2 edit

=====

Change 5 by ben@vss on 1999/08/08 21:17:00

Affected files ...

//depot/main/palm/eCopeia/src/ListView.cpp#1 add

=====

Change 6 by ben@vss on 1999/08/08 21:18:00

Affected files ...

//depot/main/palm/eCopeia/src/ListView.h#1 add

=====

Page 1

Change 7 by jkleid@vss on 1999/08/08 21:20:00 ^{Early Rx Code Submissions.txt}
added screen

Affected files ...

//depot/main/palm/eCopeia/Src/Screen.cpp#1 add

Change 8 by jkleid@vss on 1999/08/08 21:30:00
Added

Affected files ...

//depot/main/palm/eCopeia/Src/Screen.h#1 add

Change 9 by ben@vss on 1999/08/08 23:08:00

Affected files ...

//depot/main/palm/eCopeia/Src/Main.cpp#3 edit

Change 10 by ben@vss on 1999/08/08 23:09:00
ported from colview

Affected files ...

//depot/main/palm/eCopeia/Src/ListView.h#2 edit

Change 11 by ben@vss on 1999/08/08 23:09:00
ported from colview

Affected files ...

//depot/main/palm/eCopeia/Src/ListView.cpp#2 edit

Change 12 by jkleid@vss on 1999/08/08 23:11:00

Affected files ...

//depot/main/palm/eCopeia/Src/screen.h#2 edit

Change 13 by jkleid@vss on 1999/08/08 23:11:00

Affected files ...

//depot/main/palm/eCopeia/Src/screen.cpp#2 edit

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Early Rx Code Submissions.txt

=====

Change 14 by ben@vss n 1999/08/08 23:27:00
fixed build errors

Affected files ...

//depot/main/palm/eCopeia/Src/ListView.cpp#3 edit

=====

Change 15 by ben@vss on 1999/08/08 23:30:00
fixed build errors

Affected files ...

//depot/main/palm/eCopeia/Src/ListView.h#3 edit

=====

Change 20 by jkleid@vss on 1999/08/08 23:47:00
added

Affected files ...

//depot/main/palm/eCopeia/Src/Vector.h#1 add

=====

Change 25 by ben@vss on 1999/08/09 00:00:00

Affected files ...

//depot/main/palm/eCopeia/Src/ClassListView.cpp#1 add

=====

Change 30 by jkleid@vss on 1999/08/09 00:42:00
used precompiled headers

Affected files ...

//depot/main/palm/eCopeia/Src/ListView.cpp#4 edit

=====

Change 40 by jkleid@vss on 1999/08/09 01:43:00
added methods

Affected files ...

//depot/main/palm/eCopeia/Src/ScreenManager.h#3 edit

Change 50 by jkleid@vss on 1999/08/09 01:45:00 Early Rx Code Submissions.txt
fixed something

Affected files ...

//depot/main/palm/eCopeia/Src/ScreenManager.cpp#4 edit

:

Change 100 by jkleid@vss on 1999/08/10 00:38:00
added constants

Affected files ...

//depot/main/palm/eCopeia/Src/eConstants.h#2 edit

:

Change 200 by ben@vss on 1999/08/11 21:21:00
event handling in text view

Affected files ...

//depot/main/palm/eCopeia/Src/TextView.h#7 edit

:

Change 300 by jkleid@vss on 1999/08/13 19:06:00
added ctor/dtor

Affected files ...

//depot/main/palm/eCopeia/Src/DrugScreen.h#2 edit

:

Change 400 by jkleid@vss on 1999/08/17 01:35:00
no more drawRow

Affected files ...

//depot/main/palm/eCopeia/Src/ClassListView.cpp#12 edit

:

Change 500 by jkleid@vss on 1999/08/25 00:39:00
setNumPlans

Affected files ...

//depot/main/palm/eCopeia/Src/Prefs.cpp#10 edit

:

Early Rx Code Submissions.txt

change 600 by ben@vss on 1999/08/28 03:26:00
ellipsis

Affected files ...

//depot/main/palm/eCopeia/src/eConstants.h#11 edit

:
:

change 700 by jkleid@vss on 1999/08/29 19:44:00

Affected files ...

//depot/main/palm/eCopeia/src/ClinicalScreen.cpp#30 edit

:
:

change 800 by jkleid@vss on 1999/08/31 14:21:00
generics show formulary status

Affected files ...

//depot/main/palm/eCopeia/src/DrugClassAccess.h#8 edit

:
:

change 900 by jkleid@vss on 1999/09/05 22:48:00

Affected files ...

//depot/main/palm/eCopeia/src/ClinicalScreen.cpp#53 edit

:
:

change 1000 by jkleid@vss on 1999/09/07 21:23:00
uses precomp

Affected files ...

//depot/main/palm/eCopeia/src/DosingView.cpp#5 edit

:
:

change 1100 by ben@vss on 1999/09/09 19:08:00
working on find

Early Rx Code Submissions.txt

Affected files ...

//depot/main/palm/eCopeia/Src/eConstants.h#28 edit

:-----
:
:-----

Change 1200 by ben@vss on 1999/09/14 17:05:00

Affected files ...

//depot/main/palm/eCopeia/Src/ClinicalScreen.cpp#65 edit

:-----
:
:-----Change 1300 by jkleid@vss on 1999/09/15 17:04:00
logging

Affected files ...

//depot/main/palm/eCopeia/Src/ProHeaders.pch++#4 edit

:-----
:
:-----

Change 1400 by dan@vss on 1999/09/15 20:59:00

Affected files ...

//depot/main/MAL/MALRoot32/mal/client/palm/conduit/config_sync0.ico#1 add

:-----
:
:-----

Change 1500 by rena@vss on 1999/09/16 18:00:00

Affected files ...

//depot/main/server/MALServer/MALSession.java#14 edit

:-----
:
:-----Change 1600 by jkleid@vss on 1999/09/17 15:28:00
comments

Affected files ...

//depot/main/palm/eCopeia/Src/Prefs.h#25 edit

:-----
:
:-----

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Early Rx Code Submissions.txt

```

:
=====
Change 1700 by ben@vss on 1999/09/19 20:27:00
    form title popup deleted

```

Affected files ...

```

//depot/main/palm/eCopeia/Src/ClassesScreen.cpp#28 edit
=====
:
=====

```

```

Change 1800 by dan@vss on 1999/09/20 20:55:00

```

Affected files ...

```

//depot/main/MAL/MALRoot32/mal/client/win/desktop/AGMobileLinkApplet/MAL/AGMALAppXMLHandler.c#1 add
=====
:
=====

```

```

Change 1900 by dan@vss on 1999/09/20 21:17:00

```

Affected files ...

```

//depot/main/MAL/MALRoot32/mal/install/MALInstall/Setup Files/CSV/Entries.Log#1 add
=====
:
=====

```

```

Change 2000 by jkleid@vss on 1999/09/21 00:22:00

```

Affected files ...

```

//depot/main/palm/eCopeia/Src/RESOURCE.FRK/Lite.rsrc#4 edit

```

EXHIBIT L

8/31

~~Patent~~ No Fo

Patent business model

Patent aggregation of formulae + pharmaceuticals
patent machine

8/27

Carl left msg re: headhunters

3 suggestions

(1) Larry Ross - mixed reviews, CT, some HSW work

(2) Mark Yowe - Heidrich (?) 415-981-2854, 415-291-5

(3) Jim Odebt (sp?) - MD, BSIS, lyr experience at Russell Reg

ORx/dag faxd
Ds

9/7

Conversation w/ Chuck Holloway
head hunter

IP - Morris (partner I-P)

AHN - help structuring deals, get AHN via website, Tony Levetin

PR firms

↳ founding
BD work

e Greetings

■ email Holloway re: done want him to contact McKeen

know Muegen ex-CEO

law/
1

prose

etc)

EXHIBIT M

**NCIRCLE COMMUNICATIONS, INC.
FORMULARY DATA LICENSE AGREEMENT**

This Formulary Data License Agreement (th "Agreement") is entered into as of September 7, 1999 (the "Effective Date") between nCircle Communications, Inc., a California corporation ("nCircle") and National Prescription Administrators, Inc. ("NPA"), a New Jersey corporation.

REDACTED

10. **Assignment.** Either party may assign this Agreement pursuant to a transfer of all or

nCircle Communications, Inc.

By: Richard Friedman

Name: Richard Friedman

Title: Vice-President, Marketing

Address for Notice:

1755 East Bayshore Road, Suite 22
Redwood City, CA 94063

National Prescription Administrators, Inc.

By: Allan Zimmerman

Name: Allan Zimmerman

Title: Sr. Executive Vice President

Address for Notice:

711 Ridgedale Avenue, East Hanover, NJ 07936
With a copy to: General Counsel

EXHIBIT N

9/15 Parke-Davis Meeting

Lena Ulrich - South Central CBU Dallas

Jonh Howard - Chicago.

Steve Pal - Atlanta

Sales efficiency & productivity

9/16 Mtg w/ Datt Sundheim

9/17 Mark Wan Mtg

talked 3A companies to learn how to track MDS

9/17

Andersen Consulting

Internet

Diane Savage Mtg

Tom Nelson 415-

↳

thomas.r.nelson@us.athens-andersen.com

↳

Chris Aitken 408-977-3511

~~John~~ John Savage - Alliant Partners

Razorfish - consultants for Internet

Glen Nash contacted John Sabel at Yahoo

- Yahoo generally has ϕ cash ~~cost~~ content deals.

Sometimes, Yahoo pays

1.

"

charges when content provider needs distribution

EXHIBIT O

control - content

these need to be limited but
TM needs to commit to it

- # web pages / day + week frequency

limit length of web page

size

right to terminate

limited TM license

9/22

Mtg w/ Pennie

VMS, Unix

Java

Altavista

Software, databases, business models

9/23

Jim Tannoubaum at Merck

regulatory issues re: retail Rx prices

DNA software - clinical content

- panels display

- Andrews referral

Put together org chart, prod GANTT, budget, headcount

On health network - candidate for sale

John Markesch

9/24 Townsend + Townsend
file provisional - last 1 yr

9/29 Weber Group
Positioning
Messages
Media List

testimonials on Website

Medical Economics Editor

Mike Sweeney - h/c person at Weber
- worked w/ Araxys

have subsidiary w/ pharma contacts

10/1

ement ^{electronic documents} files to Dion as well as Doc Alerts + desktop ads ^{images}
draft non-obvious to integrate formulary + clinical

constituent problem benefit

TM Doc Alert
email trespass forchetta